IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
(RICHMOND DIVISION)

UNITED STATES OF AMERICA and COMMONWEALTH OF VIRGINIA Plaintiffs v. HONEYWELL RESINS & CHEMICALS LLC Defendant	CIVIL ACTION NO. 3:13-cv-193

CONSENT DECREE

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WHEREAS, Plaintiff United States of America, on behalf of the United States Environmental Protection Agency ("EPA"), and Plaintiff, the Commonwealth of Virginia ("Virginia") on behalf of the Virginia Department of Environmental Quality ("VADEQ") have filed concurrently a Complaint with this Consent Decree alleging that Defendant Honeywell Resins & Chemicals LLC ("Defendant" or "Honeywell") violated provisions of the Clean Air Act (the "CAA" or the "Act", 42 U.S. C. §7401 et seq.) at Honeywell's manufacturing facility located at 905 East Randolph Road, Hopewell, Virginia 23860 (the "Facility"); and

WHEREAS, the Complaint alleges that Defendant Honeywell violated the CAA, the Virginia regulations which are a portion of the Virginia State Implementation Plan (the "Virginia SIP") found at 40 CFR Part 52, Subpart VV, Section 52.2420(c), certain requirements of Honeywell's Title V operating permit, 40 CFR Part 61, Subpart FF, the National Emission Standards for Benzene Waste Operations ("Benzene Waste NESHAP" or "Subpart FF"), 40 CFR Part 63, Subpart H, the National Emission Standard for Organic Hazardous Air Pollutants from Equipment Leaks ("HON" or "Subpart H"), 40 CFR Part 60, Subpart VV, the Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry for which Construction, Reconstruction, or Modification Commenced After January 5, 1981, and on or before November 7, 2006 ("NSPS VV"), the 3/26/1997 Reasonably Available Control Technology ("RACT") Agreement and 9 VAC 5-80-110 of Virginia State Regulations and various permits by failing to meet certain emission limits and operating parameters, and by failing to comply with certain requirements for testing, monitoring, recordkeeping and reporting; and

WHEREAS, on March 11, 2009 and August 21, 2009, EPA issued to Honeywell Notices of Violation ("NOV") alleging a failure to comply with certain requirements of the CAA, the VA SIP, the Benzene Waste NESHAP, the HON, NSPS VV, the 1997 RACT Agreement, and various requirements of the Virginia Title V Operating Permit, Permit No. PRO50232, issued January 1, 2007 (the "Title V Permit"), and the Virginia Stationary Source Phased Construction Permit, New Source Performance Standard Permit and a Permit to Construct, Reconstruct, Modify and Operate (collectively "the Phased Construction Permit"), issued April 7, 2004; and

WHEREAS, Defendant does not admit any liability to the United States or Virginia arising out of the transactions or occurrences alleged in the Complaint; and

WHEREAS, the Parties recognize, and the Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith and will avoid litigation among the Parties and that this Consent Decree is fair, reasonable, and in the public interest; and

WHEREAS, the Parties acknowledge that the two (2) towers in "Area 9" (as that term is defined in Section III below) of the Facility at "D Train" are not addressed under this Consent Decree, but are, nonetheless, subject to a minor new source review permit issued to Honeywell by the Virginia Department of Environmental Quality on January 23, 1998, in connection with the installation of a NO Oxidizer Time Tank on TW-22, and a packed bed scrubber (a/k/a NO Reactor) on TW-23, to reduce nitrogen oxide ("NOx") emissions from the two towers in D Train in Area 9 of the Facility, and that this "NOx Abatement Technology" (as that term is defined in Section III below) constituted best available control technology ("BACT") for the two towers at D Train at the time of installation in connection with the January 23, 1998 permit.

NOW, THEREFORE, before the taking of any testimony, without the adjudication or admission of any issue of fact or law except as provided in Section I, and with the consent of the Parties, IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of this action, pursuant to 28 U.S.C. §§ 1331, 1345, and 1355, and Section 113(b) of the Clean Air Act, 42 U.S.C. § 7413(b), and over the Parties. Venue lies in this District pursuant to 113(b) of the Clean Air Act, 42 U.S.C. § 7413(b), and 28 U.S.C. §§ 1391(b) and (c), and § 1395(a), because the violations alleged in the Complaint are alleged to have occurred in, and Defendant conducts business in, this judicial District. For purposes of this Decree, or any action to enforce this Decree, Defendant consents to the Court's jurisdiction over this Decree, and any such action, and over Defendant and consents to venue in this judicial District.

2. For purposes of this Consent Decree, Defendant agrees that the Complaint states claims upon which relief may be granted pursuant to Section 113(b) of the Clean Air Act, 42 U.S.C. § 7413(b).

II. APPLICABILITY

3. The obligations of this Consent Decree apply to and are binding upon the United States and Virginia, and upon Defendant and any successors, assigns, or other entities or persons otherwise bound by law.

4. Transfer of Ownership or Operation.

a. No transfer of ownership or operation of the Facility, whether in compliance with the procedures of this Paragraph or otherwise, shall relieve Honeywell of its obligation to

ensure that the terms of this Decree are implemented, unless consented to in writing by the United States and Virginia. Honeywell shall condition any such sale or transfer on agreement by such transferee and/or successor-in-interest to assume the obligations under this Consent Decree and to submit to the jurisdiction of this Court.

b. At least thirty (30) Days prior to the transfer of ownership or operation of the Facility, Honeywell shall provide a copy of this Consent Decree to the proposed transferee and shall simultaneously provide written notice of the prospective transfer, together with: 1) a description of the proposed transfer agreement, 2) the portions of the agreement relevant to the implementation of the requirements of this Consent Decree, and 3) a statement describing the measures taken by Honeywell to obtain the transferee's agreement to assume the obligations of this Consent Decree, to EPA Region III, the United States Attorney for the Eastern District of Virginia, Virginia, and the United States Department of Justice, in accordance with Section XXII of this Decree (Notices).

5. Honeywell shall provide a copy of this Consent Decree to all officers, employees, and agents whose duties might reasonably include compliance with any provision of this Decree, as well as to any contractor retained to perform work required under this Consent Decree. Honeywell shall condition any such contract on performance of the work in conformity with the terms of this Consent Decree.

6. In any action to enforce this Consent Decree, Honeywell shall not raise as a defense the failure by any of its officers, directors, employees, agents, or contractors to take any actions necessary to comply with the provisions of this Consent Decree.

III. DEFINITIONS

7. Terms used in this Consent Decree that are defined in the Act or in regulations promulgated pursuant to the Act, including the Virginia State Implementation Plan approved by EPA, shall have the meanings assigned to them in the Act or such regulations, unless otherwise provided in this Decree. Whenever the terms set forth below are used in this Consent Decree, the following definitions shall apply:

a. "Agencies" shall mean the United States Environmental Protection Agency and the Virginia Department of Environmental Quality.

b. "Area 9" shall mean the section of the Honeywell, Hopewell, VA facility that produces hydroxylamine sulfate for use in the Area 8, Area 14 and Performance Chemicals sections of the Facility. Area 9 has 5 Trains of process equipment that produce the chemical, hydroxylamine disulfonate, which is hydrolyzed into hydroxylamine sulfate at the end of the Area 9 process. These Trains are referred to as "A", "B", "C", "D" and "E". Each Train contains an ammonium nitrite tower and a hydroxylamine disulfonate tower.

c. "Complaint" shall mean the Complaint filed by the United States and the Commonwealth of Virginia in this action.

d. "Continuous Emission Monitoring System" or "CEMS" shall mean the entire system of equipment used to sample, analyze, and provide a permanent record of emissions from a process unit or control device on a continuous basis. This system of equipment shall be installed, operated, and maintained in accordance with 40 C.F.R. Part 60.

e. "Continuous Monitoring System" or "CMS" shall mean the entire system of equipment used to sample, analyze, and provide a permanent record of operating parameter values from a process unit or control device on a continuous basis.

f. "Consent Decree" or "Decree" shall mean this Decree and all appendices attached hereto (listed in Section XXXI).

g. "Day" shall mean a calendar day unless expressly stated to be a business day. "Business day" shall mean any day the Facility is in operation except for Saturday, Sunday or a federal holiday. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next business day.

h. "Defendant" shall mean Honeywell Resins & Chemicals LLC.

i. "Electronic Monitoring, Compliance Assurance, and Management System" ("EMCAMS") shall mean the system used to determine NOx emissions on A, B and C Trains in Area 9 by correlation with operating parameters (e.g., temperature, pressure, ammonia and sulfur flow rate, nitrite residual) using a mathematical model developed by Honeywell.

j. "EPA" shall mean the United States Environmental Protection Agency and any of its successor departments or agencies.

k. "Effective Date" shall mean the date upon which this Consent Decree is entered by the Court or a motion to enter the Consent Decree is granted, whichever occurs first, as recorded on the Court's docket.

l. "Facility" shall mean the chemical manufacturing facility located at 905 East Randolph Road, Hopewell, Virginia, 23860 currently owned and operated by Honeywell.

m. "Long term" shall mean a rolling 12 month period, which is a period of 12 consecutive months determined on a rolling basis with a new 12 month period beginning the first day of each calendar month..

n. "Low Temperature Selective Catalytic Reduction" ("SCR") shall mean the control technology to be installed to reduce nitrogen oxide ("NOx") emissions from A, B, C and E Trains in Area 9. Any mist eliminators installed on these trains are not control technology for NOx emissions.

o. "Malfunction" shall mean any sudden, infrequent, and not reasonably preventable failure of air pollution control and monitoring equipment, process equipment, or a process to operate in a normal or usual manner. Failures that are caused in part by poor maintenance or careless operation are not Malfunctions.

p. "Month" or "Months" shall mean a calendar month or months.

q. "NOx Abatement Technology" shall mean the existing Nitrogen Oxide Oxidizer Time Tank on TW-22 and the existing packed bed scrubber on TW-23 installed in the mid-1990s to reduce NOx emissions from the towers in D Train in Area 9.

r. "Paragraph" shall mean a portion of this Decree identified by an arabic numeral.

s. "Parties" shall mean the Plaintiffs, the United States of America and the Commonwealth of Virginia, and Defendant.

t. "RACT Agreement" shall mean the 1997 Reasonably Achievable Control Technology Agreement between Virginia and Defendant.

u. "Short-term" shall mean a rolling three-hour hourly average emission rate determined on a rolling basis with a new three hour period beginning in the first minute of each hour.

v. "Section" shall mean a portion of this Decree identified by a roman numeral.

w. "Startup" shall mean, with respect to any nitrite tower in A, B, C, D or E Trains in Area 9, the period of time beginning when the feed of ammonia to the ammonia oxidation system commences and with respect to any disulfonate tower in A, B, C, D or E Trains in Area 9, the period of time when the feed of sulfur to the sulfur burning system commences and, in either case, lasting for no more than 12 consecutive hours during which the tower has an elevated rate of NOx emissions.

x. "Total Annual Benzene" ("TAB") quantity shall have the definition in 40 CFR 61.342.

y. "Tower" shall mean either an ammonium nitrite tower or a hydroxylamine disulfonate tower. Each Train in Area 9 contains one nitrite tower and one disulfonate tower. These towers are vertical vessels containing one or more beds of packing. The purpose of the tower is to allow contact and reaction of a gaseous component with a recirculating liquid in a continuous process to produce the desired product. Each tower has a gaseous vent stream that contains NOx.

z. "United States" shall mean the United States of America, acting on behalf of EPA.

aa. "VADEQ" shall mean the Virginia Department of Environmental Quality and any of its successor departments or agencies.

bb. "Year" or "Years" shall mean a calendar year or years.

IV. CIVIL PENALTY

8. Within thirty (30) Days after the Effective Date of this Consent Decree, Defendant shall pay the sum of $1.5 million dollars cash to the United States as a civil penalty, together with interest accruing from the Effective Date, at the rate specified in 28 U.S.C. § 1961 as of the Effective Date.

9. Within thirty (30) Days after the Effective Date of this Consent Decree, Defendant shall pay the sum of $1.5 million dollars cash to Virginia as a civil penalty. Civil penalty payments due to the Commonwealth shall be made by check, certifiable check, money order or cashier's check payable to the Treasurer of Virginia and forwarded to the Department of Environmental Quality, Receipts Control Office, P.O. Box 1105, Richmond, VA 23218.

10. Defendant shall pay the civil penalties due to the United States by electronic funds transfer ("EFT") to the U.S. Department of Justice in accordance with written instructions to be provided to Defendant by the Financial Litigation Unit of the U.S. Attorney's Office for the Eastern District of Virginia, 101 West Main Street, Suite 8000, Norfolk, VA 23510. Such instruction may be obtained by contacting Ms. Ginger Swartworth at (757)441-6331 and/or ginger.swartworth@usdoj.gov. Before making the wire transfer, Defendant shall provide the following: name of issuing bank from which the wire transfer is being made, contact person at the issuing bank, and the telephone number of the contact person at the issuing bank. At the time of its payment, Defendant shall send a copy of the EFT authorization form and the EFT transaction record, together with a transmittal letter, which shall state that the payment is for the civil penalty owed pursuant to the Consent Decree in *United States of America and Commonwealth of Virginia*

v. Honeywell Resins & Chemicals LLC, and shall reference the assigned civil action number _____ and DOJ case number **90-5-2-1-09611**, to the United States in accordance with Section XXII of this Decree (Notices), below; by email to acctsreceivable.CINWD@epa.gov; and by mail to:

EPA Cincinnati Finance Office
26 Martin Luther King Drive
Cincinnati, Ohio 45268

Joan Dent
EPA Region III
1650 Arch Street (Mail Code 3EC00)
Philadelphia, PA 19103

11. Defendant shall not deduct any penalties paid under this Decree pursuant to this Section or Section XVI of this Decree (Stipulated Penalties) in calculating its federal or state income tax.

V. AREA 9 NOx EMISSION REDUCTIONS, CONTROL AND TESTING

12. Installation and Operation of NOx Emission Controls on First Two Towers in A, B or C Trains. No later than December 31, 2012, Honeywell shall complete installation of low-temperature Selective Catalytic Reduction ("SCR") technology on two towers in A, B or C Trains in Area 9 of the Hopewell Facility. As soon as practicable, but in no event later than June 30, 2013, Honeywell shall continuously operate the new low-temperature SCR technology on these two towers and achieve and maintain the following emission rates and control efficiency for these two towers as described in Paragraph 16 below.

13. Installation and Operation of NOx Emission Controls on the Second Two Towers in A, B or C Trains. No later than December 31, 2014, Honeywell shall complete installation of low-temperature SCR technology on two more towers in A, B or C Trains in Area 9 of the Hopewell

Facility. As soon as practicable, but in no event later than June 30, 2015, Honeywell shall continuously operate the new low-temperature SCR technology on these two towers and achieve and maintain the emission rates and control efficiency for these two towers as described in Paragraph 16 below.

14. Installation and Operation of NOx Emission Controls on the Last Two Towers in A, B or C Trains. No later than December 31, 2016, Honeywell shall complete installation of low-temperature SCR technology on the last two towers in A, B or C Trains in Area 9 of the Hopewell Facility. As soon as practicable, but in no event later than June 30, 2017, Honeywell shall continuously operate the new low-temperature SCR technology on these two towers and achieve and maintain the emission rates and control efficiency for these two towers, as described in Paragraph 16 below.

15. Installation and Operation of NOx Emission Controls on the Two Towers in E Train. No later than December 31, 2018, Honeywell shall complete installation of low-temperature SCR technology on the two towers in E Train in Area 9 of the Hopewell Facility. As soon as practicable, but in no event later than June 30, 2019, Honeywell shall continuously operate the new low-temperature SCR technology on these two towers and achieve and maintain the emission rates and control efficiency for these towers as described in Paragraph 16 below.

16. Honeywell shall continuously operate the low-temperature SCR at each tower in A, B, C and E Trains in Area 9 at all times that the towers the low-temperature SCR serves are in operation, consistent with the manufacturers' specifications and good engineering and maintenance practices for minimizing emissions to the extent practicable. Except during periods of Startup or Malfunction, the SCR on each tower shall achieve a minimum NOx emission control efficiency of

95%. Except during periods of Startup , NOx emissions from the towers shall not exceed the Short Term emission rates (in pounds per hour) specified in Table 16a below by the applicable date for each tower specified in Paragraphs 12, 13, 14 or 15 above. During Startup, as defined in Paragraph 7, except for Scenario 1 described below and for E Train during Scenario 2, NOx emissions shall not exceed the Short Term emission rate of 200 lbs/hour. For Scenario 1 and for E Train during Scenario 2, NOx emissions during Startup shall not exceed the Short Term emission rates for each tower specified in Table 16a below. All NOx emissions, including NOx emissions during Startup, Shut Down and Malfunction, shall be included in determining compliance with the Long Term NOx emission rates specified for each tower in Table 16b below. NOx emissions from the Trains in Area 9 shall not exceed the Long Term emission rates (in tons per year) specified in the Table 16b below by the applicable date for each Train specified in Paragraphs 12, 13, 14 or 15 above. The Operating Scenarios depicted in Table 16a and 16b are as follows:

Operating Scenario 1: before installation of the SCRs on A, B or C Train and before installation of the SCRs on E Train;

Operating Scenario 2: after installation of the SCRs on A, B or C Train but before installation of the SCRs on E Train;

Operating Scenario 3: after installation of the SCRs on A, B or C Train and after installation of the SCRs on E Train.

Table 16a: NOx Short Term emission rates (pounds per hour)

Train/tower	Scenario 1	Scenario 2	Scenario 3
A nitrite TW-2	781.0	47.0	47.0
A disulfonate TW-62	500.0	27.0	27.0
B nitrite TW-8	853.0	51.0	51.0
B disulfonate TW-9	500.0	27.0	27.0

C nitrite TW-17	900.0	54.0	54.0
C disulfonate TW-18	500.0	27.0	27.0
E nitrite TW-32	240.0	240.0	13.0
E disulfonate TW-33	300.0	300.0	16.0

Table 16b: NOx Long Term emission rates (tons per year)

Train	Scenario 1	Scenario 2	Scenario 3
A	2917	185	204
B	2936	186	207
C	2412	160	174
E	1200	1200	65

17. Performance testing of low-temperature SCR on A, B, C and E Trains: Within one hundred eighty (180) Days of the installation of the low-temperature SCR on the towers in A, B, C and E Trains, as specified in Paragraphs 12, 13, 14 and 15, Honeywell shall conduct an initial performance test and shall conduct any periodic tests that may be required by EPA and VADEQ under applicable regulatory authority. Honeywell shall conduct the initial performance test and any subsequent testing in accordance with Methods 1-4 and Method 7E of 40 CFR Part 60. Within sixty (60) Days of performance testing, Honeywell shall report the results to EPA and VADEQ.

VI. AREA 9 CEMS INSTALLATION AND OPERATION

18. Honeywell shall replace the existing EMCAMS, as defined in Paragraph 7 above, with the installation, operation and maintenance of NOx CEMS on each of the nitrite and disulfonate towers on Trains A, B and C (i.e., Towers TW-2, TW-8, TW-17, TW-62, TW-9 and

TW-18). Following installation of the NOx CEMS, data retrieved from the NOx CEMs shall be used as the method for determining compliance with the Short Term emission limits and the 95 percent control requirement on a three (3) hour rolling average. All three (3) hour rolling averages must be reported quarterly in the excess emission report.

19. Installation of NOx CEMS. Honeywell shall install, certify, calibrate, maintain and operate two NOx CEMS on each of Towers TW-2, TW-8, TW-17, TW-62, TW-9 and TW-18 (one on the inlet and one on the outlet of each low-temperature SCR installation) and one NOx CEMS on each of Towers TW-32 and TW-33 (on the inlet of each low-temperature SCR installation) in accordance with the manufacturer's specifications and the applicable performance specification(s) in 40 C.F.R. Part 60 on the following schedule:

Tower	NOx CEMS Installation Deadline
1st and 2nd towers	June 30, 2013
3rd and 4th towers	June 30, 2015
5th and 6th towers	June 30, 2017
TW-32 (inlet) and TW-33 (inlet)	June 30, 2019

20. Performance of Relative Accuracy Test Audits ("RATAs"). Honeywell must conduct a RATA on each CEMS (including the existing CEMS on the towers in Trains D and E) initially on the date of the required performance test specified in Paragraph 17, and at least once per year in accordance with Part 60 Appendices A and F, and Performance Specification 2 and 3 of 40 C.F.R. Part 60 Appendix B. Honeywell must conduct Cylinder Gas Audits each calendar quarter during the time that any RATA is not performed. Nothing in this Paragraph shall affect any more stringent State or local monitoring requirements.

VII. AREA 9 PM AND OPACITY TESTING AND MONITORING

21. Within twenty-four (24) months of the effective date of this Consent Decree,

Honeywell shall conduct particulate matter ("PM") and opacity performance testing on Towers TW-2, TW-8, TW-17, TW-22, TW-23, TW-62, TW-9, TW-18, TW-32, and TW-33 to determine compliance with the control efficiency and emission limit requirements established in the Title V Permit and summarized in the table below in this Paragraph, and the opacity requirements established in Article 1 of 9 VAC 5 Chapter 40 of Virginia's regulations. The PM and opacity performance testing shall be performed in accordance with Part 60 Appendix A, Methods 1 – 5, 9 and 201, unless Honeywell requests in writing, and EPA and VADEQ approve in writing, another test method. During each performance test, Honeywell shall continuously monitor the scrubber pressure drop and scrubber liquid flow to establish operating parameter ranges to ensure continuous compliance with the control efficiency and emission limit requirements established in the Title V Permit and the opacity limits established in Article 1 of 9 VAC 5 Chapter 40 of Virginia's regulations. Honeywell shall submit, for approval by VADEQ, in consultation with EPA, the PM and Opacity Emission Testing Reports for each tower identified below no later than sixty (60) Days after the completion of the emissions test for that source. In the PM Emissions Testing Report for towers equipped with a particulate matter control device (i.e., TW-8, TW-22, TW-32, TW-62, TW-9, TW-18, TW-23 and TW-33), Honeywell shall (a) calculate the mass PM emission flow rate at the inlet and outlet of the tower's associated control device, and (b) propose scrubber pressure drop and scrubber liquid flow values for the associated control device that will ensure that it meets the emissions limits and opacity limits. For the towers not equipped with particulate matter control devices (i.e., TW-2 and TW-17), Honeywell shall (a) calculate the mass PM emission flow rate at the outlet of the tower and (b) propose process operating parameter values that will ensure that the tower meets the emission limits established in the Title V permit.

The PM and Opacity Emissions Testing Report shall include, at a minimum, all test results, operating data, calibration data, chains of custody, all equations used, and assumptions made calculating Honeywell's proposed parameter.

Tower	Total Suspended Particulates Limit (pounds/hour)	Total Suspended Particulates Limit (tons per year)	PM-10 Permit Limit (pounds/hour)	PM- 10 Permit Limit (tons per year)	PM Control Efficiency Permit Requirement (%)
TW-2	11.1	32.0	4.0	11.5	
TW-8	3.8	12.0	1.9	6.0	90
TW-17	21.2	76.2	7.6	27.4	
TW-22	3.8	12.0	1.9	6.0	90
TW-32	3.8	12.0	1.9	6.0	90
TW-62	1.2	4.5	1.2	4.5	98
TW-9	1.2	4.5	1.2	4.5	98
TW-18	1.2	4.5	1.2	4.5	
TW-23	1.2	4.5	1.2	4.5	
TW-33	1.6	4.5	1.6	4.5	98

VIII. ENHANCED LEAK DETECTION AND REPAIR

22. Enhanced Leak Detection and Repair. In addition to compliance with applicable leak detection and repair program requirements under the HON, NSPS VV, the RACT agreement and the Title V Permit, Honeywell shall implement and comply with the requirements of the Enhanced Leak Detection and Repair Plan ("ELP") as set forth in Appendix A to this Consent Decree.

IX. BENZENE WASTE NESHAP AUDIT

23. Benzene Waste Operations NESHAP Audit Requirements. Honeywell shall complete the measures set forth in this Section to ensure compliance with all applicable requirements of 40 C.F.R. Part 61 Subpart FF ("Benzene Waste Operations NESHAP" or "Subpart FF").

24. Statement of Work. No later than ninety (90) Days after the Effective Date of this Decree, Honeywell shall submit to EPA for approval, in consultation with VADEQ, a Statement of Work for the Benzene Waste Operations NESHAP audit required by this Section.

25. One-Time Review and Determination of Honeywell's TAB. Within ninety (90) Days after approval of the Statement of Work by EPA, Honeywell shall enter into a contract with a third-party to conduct an independent audit of the Facility's compliance with the Benzene Waste Operations NESHAP. The third-party audit shall include, but not be limited to: 1) identification of each waste stream to be included in the calculation of its TAB (e.g., oil-water separator discharge, maintenance wastes, turnaround wastes, scrubber blowdown, parts cleaning wastes, process dryer condensates, wastes, oils, etc.), 2) a review of the calculations and/or measurements used to determine flows of each waste stream and an identification of the benzene concentration in each waste stream (based on sampling for benzene concentration at no less than 10 waste streams), including an explanation of the range of flows and benzene concentrations for each waste stream, and 3) a determination of whether or not the stream is controlled in accordance with the requirements of Subpart FF. All benzene sampling shall be conducted in accordance with the test methodology described in 40 C.F.R § 61.355(c)(3)(iv), unless Honeywell requests in writing and EPA approves in writing another test method with lower detection limits where warranted, based on the sampling results or sample material.

26. Submission of Third-Party Audit Report. Within one hundred eighty (180) Days of EPA's approval of the Statement of Work, Honeywell shall submit to EPA for approval, with a copy to VADEQ, a report that sets forth the results of the third-party audit of the Facility's compliance with the Benzene Waste Operations NESHAP Audit (the "Third-Party Audit Report"

or "Report"). This Report shall include a determination of the Facility's TAB . Based on EPA's review of the Report, EPA may select up to twenty (20) additional waste streams for sampling of benzene concentration (Phase 2 sampling). Honeywell's third party contractor shall conduct the required additional sampling and Honeywell shall submit the results to EPA and VADEQ within ninety (90) Days of receipt of EPA's requirement. All benzene sampling shall be conducted in accordance with the test methodology described in 40 C.F.R § 61.355(c)(3)(iv), unless Honeywell requests in writing and EPA approves in writing another test method with lower detection limits where warranted, based on the sampling results or sample material. The results of any such additional sampling shall be used to reevaluate the TAB and the uncontrolled benzene quantity and to amend the Third-Party Audit Report, as appropriate. Honeywell shall submit to EPA and VADEQ a revised Third-Party Audit Report including a revised TAB calculation within one hundred twenty (120) Days following the completion of the Phase 2 sampling.

27. Actions to Implement Third-Party Audit Report. If the results of the Third-Party Audit Report indicate that Honeywell has a TAB over 10 Mg/yr, Honeywell shall submit, within one hundred twenty (120) Days after completion of the Report, an implementation plan to EPA and VADEQ. The implementation plan is subject to EPA approval, in consultation with VADEQ, and shall identify the actions that Honeywell shall to take, and the schedule for those actions, to ensure that the Facility's TAB is below 10 Mg/yr for each calendar year following completion of the Audit Report. If Honeywell demonstrates to EPA's satisfaction that it is technically infeasible to achieve and maintain a TAB of no greater than 10 Mg/yr, then Honeywell shall implement and maintain controls within one (1) year of EPA's approval of the implementation plan to comply with the requirements of 40 C.F.R Part 61, Subpart FF.

X. MISCELLANEOUS OPERATION AND MAINTENANCE MEASURES

28. Control and Monitoring Device Preventative Maintenance and Operations Plans. Within one hundred twenty (120) Days after the Effective Date of this Decree, Honeywell shall submit for approval to EPA, in consultation with VADEQ, a Preventative Maintenance and Operation Plan ("PMO Plan"). The PMO Plan shall consist of a compilation of Honeywell's procedures for good air pollution control practices and minimizing emissions. The PMO Plan shall have as its goals the elimination of process and control device malfunctions of the low temperature SCRs, scrubbers, NOx Abatement Technology, CEMs and CMSs in Area 9. The PMO Plan shall include, but not be limited to, startup and shutdown procedures, emergency procedures, and schedules for preventative maintenance and maintenance turnarounds that coincide with scheduled turnarounds of major process units. The PMO shall ensure that Honeywell is prepared to correct malfunctions as soon as practicable to minimize emissions. To ensure that malfunctions are minimized, the PMO shall include a procedure for conducting a "Root Cause Analysis" for malfunctioning process, air pollution and control and monitoring equipment that would result in NOx emissions from Area 9 in excess of allowable limits for more than one hour. The PMO Plan shall include a procedure for conducting a Root Cause Analysis for any particular component of a CEMS or CMS which component exhibits three (3) or more unscheduled failures resulting in down time greater than one (1) hour each in any calendar quarter. This Root Cause Analysis shall set forth all significant contributing causes to the excess emissions and shall provide analysis of the measures available to reduce the likelihood of a recurrence. If more than one alternative exists to address the Root Cause, the analysis shall discuss the alternatives, the probable effectiveness and the cost of the alternatives. The analysis shall evaluate possible design, operation and maintenance

changes. Honeywell shall implement its approved PMO Plan, as may be updated in accordance with this paragraph 28, at all times, including periods of startup, shutdown and malfunction of its process units, control devices, CEMs, and CMSs. Honeywell shall review its PMO annually and update its PMO, as necessary, to incorporate, at a minimum, the results of any Root Cause Analysis. Honeywell shall maintain the original PMO Plan and all subsequent revisions at the Facility for a period of five (5) years and have them available for review by the Agencies.

29. Air Pollution Control Practices. Honeywell shall, at all times and to the extent practicable, including periods of startup, shutdown, and/or malfunction, implement good air pollution control practices to minimize emissions from their control devices.

30. Periods of Non-Operation. From the Effective Date of this Decree, Honeywell shall keep a written record of all periods of startups, shutdowns, malfunctions, non-operation, bypasses of control devices and repairs for each process unit, control device, and monitoring system addressed in the PMO Plan. Such records shall include the times and duration of each event, a brief description of the event, the cause or likely cause of the event, and any actions taken to minimize excess emissions during the event, and whether the event and Honeywell's actions were consistent with the Preventative Maintenance and Operation Plans required by Paragraph 28 above. In addition, such records shall also include a record of the calibration checks and low- and high-level adjustments for each control device and monitoring system. Honeywell shall maintain such records for at least five (5) years from the date of any such event and shall produce to EPA and VADEQ upon request.

XI. PERMITS

31. The requirements of this Consent Decree shall be incorporated into a new source

review permit and the Title V Permit for the Facility in accordance with applicable Virginia New Source Review and Title V rules before the termination of this Consent Decree.

32. Construction Permits. Honeywell shall obtain all required, federally enforceable permits for the construction of the pollution control technology and/or the installation of equipment necessary to implement the requirements of this Consent Decree.

XII. PROHIBITION OF NETTING CREDITS OR OFFSETS FROM REQUIRED CONTROLS

33. Summary. This Section addresses the use of the emissions reductions, which will result from the installation and operation of the emission controls required by this Consent Decree ("CD Emissions Reductions"), for the purpose of emissions netting or emissions offsets.

34. General Prohibition. Honeywell shall not use any NOx, PM, PM-10, PM-2.5 or VOC emission reductions that result from the installation and operation of the SCRs required by this Consent Decree, any actions required under Paragraph 27 (BWON), and the implementation of the Enhanced LDAR program set forth in Appendix A as netting reductions or emissions offsets in any PSD, major non-attainment, and/or synthetic minor New Source Review permit or permit proceeding, nor shall Honeywell obtain any emission reduction credits for such reductions.

35. Exception to General Prohibition. Upon installation of SCRs on A, B, and C Trains, Honeywell may increase production at each Train to a level not to exceed 39 tons per year of NOx per train, not considering reductions achieved by the SCRs. Upon installation of an SCR on E Train, Honeywell may increase production to the full level provided for in the June 28, 2011, "Stationary Source Phased Construction Permit, New Source Performance Standards Permit, Permit to Construct, Reconstruct, Modify and Operate" issued by VADEQ (Registration No. 50232; County-Plant No. 670-002). To meet the production limitation provided for in the June 28,

2011 permit, Honeywell shall comply with the limits set forth in Tables 16a and 16b above. Honeywell's use of any emission reductions resulting from the installation of low temperature SCRs on A, B, C and E trains in Area 9 of the Facility required by this Consent Decree and undertaken in connection with the June 28, 2011 permit as netting credits shall be limited to use as netting credits only for purposes of the June 28, 2011 permit, and thereafter, no longer available for any purpose.

36. Outside the Scope of the General Prohibition. Nothing in this Consent Decree is intended to prohibit Honeywell from seeking to:

a. use or generate netting reductions or emission offset credits from Facility units that are covered by this Consent Decree to the extent that the proposed netting reductions or emission offset credits represent the difference between the numeric emissions limitations set forth in or established pursuant to this Consent Decree for such Facility units and the more stringent numeric emissions limitations that Honeywell may elect to accept for those Facility units in a permitting process;

b. use or generate netting reductions or emission offset credits for Facility units that are not subject to an emission limitation pursuant to this Consent Decree; or

c. use CD Emission Reductions for Honeywell's compliance with any rules or regulations designed to address regional haze or the non-attainment status of any area (excluding PSD and Non-Attainment New Source Review rules) that apply to Honeywell; provided, however, that Honeywell may not trade or sell any CD Emission Reductions.

XIII. ENVIRONMENTAL MITIGATION

37. On and after the effective date of this Consent Decree, Honeywell shall operate only Tier III diesel switcher locomotives, or replacement locomotives that emit NOx (on a gm/bhp basis) equal to or less than Tier III standards, at the Facility.

38. Honeywell shall not seek to obtain any netting or offset credit under any state or federal program for emissions reductions from the purchase and use of Tier III locomotives at the Facility.

39. Honeywell shall certify, within thirty (30) Days after the Effective Date of this Consent Decree that Honeywell was not otherwise required by law to replace the two diesel switchers at the Hopewell Facility with Tier III low emission diesel switchers, that Honeywell is unaware of any other person who was required by law to purchase the low emission diesel switchers for the Hopewell Facility, and that Honeywell will not use any aspect of that purchase, or portion thereof, to satisfy any obligations that it may have under other applicable requirements of law.

XIV. APPROVAL OF DELIVERABLES

40. After review of any plan, report, or other item that is required to be submitted for approval pursuant to this Consent Decree, the approving government agency or agencies, after consultation with the other government agency, shall in writing: a) request additional information to enable EPA and VADEQ to adequately evaluate the submittal; b) approve the submission; c) approve the submission upon specified conditions; d) approve part of the submission and disapprove the remainder; or e) disapprove the submission.

41. In the event that EPA or VADEQ requests additional information, Honeywell shall

provide the additional information to EPA and VADEQ in accordance with the time frames set forth in the request. Honeywell may request additional time in writing.

42. If the submission is approved, Honeywell shall take all actions required by the plan, report, or other document, in accordance with the schedules and requirements of this Decree, or if not specified in this Decree, the schedule and requirements in the approved submission.

43. If the submission is conditionally approved or approved only in part, Honeywell shall, upon written notice from the approving governmental agency, take all actions required by the approved plan, report, or other item that the approving governmental agency, after consultation with the other governmental agency, determines are technically severable from any disapproved portions, subject to Honeywell's right to dispute only the specified conditions or the disapproved portions, under Section XVIII of this Decree (Dispute Resolution).

44. If the submission is disapproved in whole or in part, Honeywell shall, within forty-five (45) Days or such other time as Honeywell, EPA, and VADEQ agree to in writing, correct all deficiencies and resubmit the plan, report, or other item, or disapproved portion thereof, for approval in accordance with this Section. If the resubmission is approved in whole or in part, Honeywell shall proceed in accordance with this Section.

45. Any stipulated penalties applicable to the original submission, as provided in Section XVI (Stipulated Penalties), below, shall accrue during the forty-five (45) Day period or other specified period, but shall not be payable unless the resubmission is untimely or is disapproved in whole or in part; provided that, if the original submission was, as determined by EPA, so deficient as to constitute a material breach of Honeywell's obligations under this Decree, the stipulated penalties applicable to the original submission shall be due and payable

notwithstanding any subsequent resubmission.

46. If a resubmitted plan, report, or other item, or portion thereof, is disapproved in whole or in part, the approving governmental agency, after consultation with the other governmental agency, may again require Honeywell to correct any deficiencies, in accordance with this Section, subject to Honeywell's right to invoke Dispute Resolution and the right of EPA and Virginia to seek stipulated penalties as provided in this Section.

47. Nothing in this Section or this Decree, including any reference to consultation, shall limit EPA's rights under the law to review, comment on, oversee or veto any proposed permit, permit modifications, or other action taken by a delegated permitting authority under the Act.

48. In the event that EPA and VADEQ impose inconsistent obligations upon Honeywell under this Consent Decree that make it impossible for Honeywell to comply with all obligations of the responses, then Honeywell shall notify EPA and VADEQ, who shall endeavor to resolve any inconsistency. If they are unable to resolve such inconsistency, then EPA's response shall control as to the specific inconsistent obligation. During this period, Honeywell's obligation under the Consent Decree to comply with the respective government agencies' responses shall be stayed only to the extent of the specific inconsistent obligation. However, if EPA's or VADEQ's responses are only inconsistent in that one response imposes additional and/or more stringent requirements, Honeywell shall comply with the additional and/or more stringent requirements.

XV. REPORTING REQUIREMENTS - CONSENT DECREE

49. Honeywell shall submit the following reports documenting its progress in complying with the requirements of this Consent Decree:

a. Within thirty (30) Days after the end of the second and fourth calendar quarters

after the date of entry of this Consent Decree, until termination of this Decree pursuant to Section XXVI (Termination), below, Honeywell shall submit to EPA and VADEQ by email a written semi-annual report that shall include for the reporting period: 1) the status of the compliance measures identified in Sections V - XIII of this Consent Decree; 2) a detailed description of any problems encountered or anticipated, together with implemented or proposed solution; 3) the status of permit applications or modifications; and 4) a description of any change that is not authorized by permit or regulation and would result in a significant increase in emissions from Area 9 of the Facility as defined in 40 C.F.R. 52.21(b)(23) and 40 C.F.R. 51.165(a)(1)(x), as may be applicable to the Facility.

b. The semi-annual report shall also include a description of any non-compliance with the requirements of this Consent Decree and an explanation of the likely cause of the non-compliance and of the remedial steps taken, or to be taken, to prevent or minimize such non-compliance. If Honeywell violates, or has reason to believe that it may violate, any requirement of this Consent Decree, Honeywell shall notify the United States and VADEQ of such violation and its likely duration, in writing, within ten (10) Days of the date Honeywell first becomes aware of the violation, with an explanation of the violation's likely cause and of the remedial steps taken, or to be taken, to prevent or minimize such violation. If the cause of a violation cannot be fully explained at the time the report is due, Honeywell shall so state in the report. Honeywell shall investigate the cause of the violation and shall then submit an amendment to the report, including a full explanation of the cause of the violation, within thirty (30) Days of the day Honeywell becomes aware of the cause of the violation. Nothing in this Paragraph 49.b. or the following Paragraph 50 relieves Honeywell of its obligation to provide the notice required by Section XVII

of this Consent Decree (Force Majeure).

50. Whenever any event affecting Honeywell's performance under this Decree or the performance of its Facility may pose an immediate threat to the public health or welfare or the environment, Honeywell shall notify EPA and VADEQ orally or by electronic or facsimile transmission as soon as possible, but no later than twenty-four (24) hours after Honeywell first knew that the violation or event may pose such a threat. This obligation is in addition to the requirements set forth in the preceding Paragraph. Nothing in Paragraphs 49 or 50 of this Consent Decree shall be construed to affect any obligation or requirement of Honeywell under Virginia's regulations.

51. All reports shall be submitted to the persons and addresses designated in Section XXII of this Consent Decree (Notices).

52. Each report submitted by Honeywell under this Section shall be signed by an authorized official of the submitting party and include the following certification:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

This certification requirement does not apply to emergency or similar notifications where compliance would be impractical.

53. The reporting requirements of this Consent Decree do not relieve Honeywell of any reporting obligations required by the Clean Air Act or implementing regulations, or by any other federal, state, or local law, regulation, permit, or other requirement.

54. Any information provided pursuant to this Consent Decree may be used by the United States or Virginia in any proceeding to enforce the provisions of this Consent Decree and as otherwise permitted by law.

XVI. STIPULATED PENALTIES

55. Honeywell shall be liable for stipulated penalties to the United States and Virginia for violations of this Consent Decree as specified below, unless excused under Section XVII (Force Majeure). A violation includes failing to perform any obligation required by the terms of this Decree, including any submittal or schedule approved under this Decree, according to all applicable requirements of this Decree and within the specified time schedules established by or approved under this Decree.

56. Late Payment of Civil Penalty

If the Defendant fails to pay the civil penalties required to be paid under Section IV of this Decree (Civil Penalty) when due, the Defendant shall pay a stipulated penalty of $5,000 per Day for each day that the payment is late.

a. Compliance Measures (other than the ELP, which is addressed in Paragraph 58, below). The following stipulated penalties shall accrue per violation per Day for each violation of the remaining requirements identified in Sections V - XI, above, except for the reporting and written submission requirements which are addressed in Paragraph 56.c., and those indicated below:

Penalty Per Violation Per Day	Period of Noncompliance
$1,500	1st through 14th Day
$2,000	15th through 30th Day
$2,500	31st Day and beyond

b. Non-Compliance with Requirement to Implement Environmental Mitigation:

For failure by the Defendant to operate only Tier III diesel switcher locomotives, or replacement locomotives, as required by Section XIII (Environmental Mitigation) of this Consent Decree:

Failure to Operate	Penalty per day
1st through 14th Day of Non-Compliance	$1,500
15th through 30th Day of Non-Compliance	$2,000
31st Day and beyond	$2,500

c. Written Submissions and Reporting Requirements.

The following stipulated penalties shall accrue per violation per Day for each violation of the reporting requirements of Section XV (Reporting Requirements - Consent Decree), above, and for each written submission by Honeywell under Sections II, V - XI, above, that is untimely or deficient:

Penalty Per Violation Per Day	Period of Noncompliance
$500	1st through 30th Day
$1,500	31st Day and beyond

57. Stipulated penalties under this Section shall begin to accrue on the Day after

performance is due or on the Day a violation occurs, whichever is applicable, and shall continue to accrue until performance is satisfactorily completed or until the violation ceases. Stipulated penalties shall accrue simultaneously for separate violations of this Consent Decree.

58. Enhanced LDAR Program ("ELP"): The following stipulated penalties shall accrue per violation per Day unless otherwise specified below, for each violation of a requirement of the ELP as set forth in Section VIII of this Consent Decree (Enhanced LDAR) and Appendix A as specified below: (a.) Failure to develop a timely and complete written facility-wide LDAR Program Plan under Paragraph 3 of Appendix A: $3,500 per week of noncompliance. (b.) Failure to timely monitor in accord with Part B (when more frequent periodic monitoring is required) of Appendix A of any Covered Equipment: $100 per component per day but no more than $10,000 per month per Covered Process Unit. (c.) Failure to conduct monitoring and inspections in accord with Part C or D of Appendix A: $100 per component per day but no more than $10,000 per month per Covered Process Unit. (d.) Failure to conduct repair of leaks or otherwise comply with leak repair requirements in accord with Parts E and F of Appendix A: $200 per leak per day of noncompliance. (e.) Failure to timely prepare the Equipment Improvement/Replacement Program and timely update the Program, and timely submit the Program Report as required under Part G of Appendix A: $15,000 per month of noncompliance. (f.) Failure to timely replace equipment as required under Part G of Appendix A: $3,000 per piece of LDAR covered equipment per day. (g.) Failure to incorporate the equipment changes identified in the Facility-wide Management of Change protocol in accord with Part H of Appendix A, failure to implement training in accord with Part I of Appendix A, and failure to comply with the requirements of Part J of Appendix A: $10,000 per violation per month of noncompliance. (h.) Failure to complete the requirements of

Part K (LDAR Audits and Corrective Action) in accord with the requirements of Appendix A: $7,500 per violation per month of noncompliance.

59. Defendant shall pay stipulated penalties to the United States and Virginia within thirty (30) Days of a written demand by either Plaintiff. Defendant shall pay 50 percent of the total stipulated penalty amount due to the United States and 50 percent to Virginia. The Plaintiff making a demand for payment of a stipulated penalty shall simultaneously send a copy of the demand to the other Plaintiff.

60. Either Plaintiff may, in the unreviewable exercise of their discretion, reduce or waive its prospective stipulated penalties otherwise due it under this Consent Decree.

61. Stipulated penalties shall continue to accrue as provided in Paragraph 55 during any Dispute Resolution, but need not be paid until the following:

a. If the dispute is resolved by agreement or by a decision of EPA or Virginia that is not appealed to the Court, the Defendant shall pay accrued penalties determined to be owing, together with interest, to the United States or Virginia within forty-five (45) Days of the effective date of the agreement or the receipt of EPA's or Virginia's decision or order.

b. If the dispute is appealed to the Court and the United States or Virginia prevails, the Defendant shall pay all accrued penalties determined by the Court to be owing, together with interest, within sixty (60) Days of receiving the Court's decision or order, except as provided in subparagraph c, below.

c. If any Party appeals the District Court's decision and the United States or Virginia prevails, the Defendant shall pay all accrued penalties determined to be owed, together with interest, within thirty (30) Days of receiving the final appellate court decision.

62. Defendant shall pay stipulated penalties owing to the United States and Virginia in the manner set forth and with the confirmation notices required by Section XXII, below, except that the transmittal letter shall state that the payment is for stipulated penalties and shall specify the violation(s) for which the penalties are being paid.

63. If Defendant fails to pay stipulated penalties according to the terms of this Consent Decree, Defendant shall be liable for interest on such penalties, as provided for in 28 U.S.C. § 1961, accruing as of the date payment became due. Nothing in this Paragraph shall be construed to limit the United States or Virginia from seeking any remedy otherwise provided by law for Defendant's failure to pay any stipulated penalties.

64. Subject to the provisions of Section XX (Effect of Settlement/Reservation of Rights), below, the stipulated penalties provided for in this Consent Decree shall be in addition to any other rights, remedies, or sanctions available to the United States and/or Virginia for the violations of this Consent Decree or applicable law. Where a violation of this Consent Decree is also a violation of the Clean Air Act, Defendant shall be allowed a credit, for any stipulated penalties paid, against any statutory penalties imposed for such violation.

65. Affirmative Defense for Malfunctions. If Honeywell exceeds any NOx Short Term emission rate, as set forth in Table 16a, due to a Malfunction, Honeywell, bearing the burden of proof, has an affirmative defense to stipulated penalties under this Consent Decree if Honeywell complies with the reporting requirements of Paragraph 66, and demonstrates all of the following:

a. the excess emissions were caused by a sudden, unavoidable breakdown of technology, beyond Honeywell's control;

b. the excess emissions (1) did not stem from any activity or event that could have

been foreseen and avoided, or planned for, and (2) could not have been avoided by better operation and maintenance practices;

c. to the maximum extent practicable, the air pollution control equipment and processes were maintained and operated in a manner consistent with good practice for minimizing emissions;

d. repairs were made in an expeditious fashion when Honeywell knew or should have known that an applicable NOx Short Term emission rate was being or would be exceeded. Off-shift labor and overtime must have been utilized, to the greatest extent practicable, to ensure that such repairs were made as expeditiously as practicable;

e. the amount and duration of the excess emissions (including any bypass) were minimized to the maximum extent practicable during periods of such emissions;

f. all possible steps were taken to minimize the impact of the excess emissions on ambient air quality;

g. all emission monitoring systems were kept in operation if at all possible;

h. Honeywell's actions in response to the excess emissions were documented by properly signed, contemporaneous operating logs, or other relevant evidence;

i. the excess emissions were not part of a recurring pattern indicative of inadequate design, operation, or maintenance; and

j. Honeywell properly and promptly notified EPA and VADEQ as required by this Consent Decree.

66. Honeywell shall provide notice to EPA and VADEQ in writing of its intent to assert an affirmative defense for Malfunction under Paragraph 65 as soon as practicable, but in no event

later than twenty-one (21) Days following the date of the Malfunction. This notice shall be submitted to EPA and VADEQ pursuant to Section XXII (Notices), shall include all information to demonstrate that Honeywell satisfies the criteria specified in Paragraph 65, above, and include all of the following information:

a. the magnitude of the excess emissions (expressed in pounds per hour), as well as the % removal efficiency, and the underlying operating data and calculations used in determining both the magnitude of the excess emissions and the % removal efficiency;

b. the time and duration or expected duration of the excess emissions;

c. the identity of the equipment from which the excess emissions emanated;

d. the nature and cause of the Malfunction;

e. the steps taken to remedy the Malfunction and the steps taken or planned to prevent the recurrence of the Malfunction;

f. the steps that were or are being taken to limit the excess emissions; and

g. if Honeywell's permit contains procedures governing source operation during periods of Malfunction, a list of the steps taken to comply with the permit procedures.

XVII. FORCE MAJEURE

67. A "force majeure event," for purposes of this Consent Decree, is defined as any event arising from causes beyond the control of Honeywell, or any entity controlled by Honeywell, or any of Honeywell's contractors, that delays or prevents the performance of any obligation under this Consent Decree despite Honeywell's best efforts to fulfill the obligation. The requirement that Honeywell exercise "best efforts to fulfill the obligation" includes using best efforts to anticipate any potential force majeure event and best efforts to address the effects of any such event (a) as it

is occurring and (b) after it has occurred, such that the delay and any adverse environmental effect of the delay or violation is minimized to the greatest extent possible. "Force majeure" does not include Defendant's financial inability to perform any obligation under this Consent Decree.

68. Honeywell may seek relief under these Force Majeure provisions for any delay in the performance of any such obligation resulting from a failure to obtain, or a delay in obtaining, any permit or approval required to fulfill such obligation if Honeywell has submitted timely and complete applications and has taken all other actions necessary to obtain such permit(s) or approval(s).

69. If any event occurs or has occurred that may delay the performance of any obligation under this Consent Decree, whether or not caused by a force majeure event, Honeywell shall provide :

a. Notice orally or by electronic or facsimile transmission to EPA and VADEQ, within 72 hours of when Honeywell first knew or should have known by the exercise of due diligence that the event might cause a delay.

b. An explanation and description in writing to EPA and VADEQ within fifteen (15) Days after Honeywell first knew or should have known of the event by the exercise of due diligence, an explanation and description of the reasons for the delay; the anticipated duration of the delay; all actions taken or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to prevent or mitigate the delay or the effect of the delay; Honeywell's rationale for attributing such delay to a force majeure event if it intends to assert such a claim; and a statement as to whether, in the opinion of Honeywell, such event may cause or contribute to an endangerment to public health, welfare or the environment. Honeywell

shall include with any notice documentation in Honeywell's possession, custody, or control supporting the claim that the delay was attributable to a force majeure event. Failure to comply with the above requirements shall preclude Honeywell from asserting any claim of force majeure for that event for the period of time of such failure to comply, and for any additional delay caused by such failure. Honeywell shall be deemed to know of any circumstance of which Honeywell, any entity controlled by Honeywell, or Honeywell's contractors knew or should have known.

70. If both EPA and VADEQ agree that the delay or anticipated delay is attributable to a force majeure event, the time for performance of the obligations under this Consent Decree that are affected by the force majeure event will be extended by EPA for such time as is necessary to complete those obligations. An extension of the time for performance of the obligations affected by the force majeure event shall not, of itself, extend the time for performance of any other obligation. EPA will notify Honeywell in writing of the length of the extension, if any, for performance of the obligations affected by the force majeure event.

71. If either EPA or VADEQ do not agree that the delay or anticipated delay has been or will be caused by a force majeure event, EPA or VADEQ will notify Honeywell in writing of its decision.

72. If Honeywell elects to invoke the dispute resolution procedures set forth in Section XVIII of this Decree (Dispute Resolution), it shall do so no later than thirty (30) Days after receipt of EPA and/or VADEQ's notice. In any such proceeding, Honeywell shall have the burden of demonstrating by a preponderance of the evidence that the delay or anticipated delay has been or will be caused by a force majeure event, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that best efforts were exercised to avoid and mitigate

the effects of the delay, and that Honeywell complied with the requirements of Paragraphs 74 and 75, below. If Honeywell prevails in the dispute, the delay at issue shall be deemed not to be a violation by Honeywell of the affected obligation of this Consent Decree identified to Plaintiff's and the Court.

XVIII. DISPUTE RESOLUTION

73. Unless otherwise expressly provided for in this Consent Decree, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Consent Decree. Honeywell's failure to seek resolution of a dispute under this Section shall preclude Honeywell from raising any such issue as a defense to an action by the United States or Virginia to enforce any obligation of Honeywell arising under this Decree.

74. Informal Dispute Resolution. Any dispute subject to Dispute Resolution under this Consent Decree shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when Honeywell sends the United States, EPA, and Virginia a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed sixty (60) Days from the date the dispute arises, unless that period is modified by written agreement. If the Parties cannot resolve a dispute by informal negotiations, then the position advanced by the United States, in consultation with VADEQ, shall be considered binding unless, within thirty (30) Days after EPA provides Honeywell with EPA's written position, Honeywell invokes formal dispute resolution procedures as set forth below.

75. Formal Dispute Resolution. Honeywell shall invoke formal dispute resolution procedures, within the time period provided in the preceding Paragraph, by serving on the United States and Virginia a written Statement of Position regarding the matter in dispute. The Statement

of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting Honeywell's position and any supporting documentation relied upon by the company.

76. The United States, in consultation with Virginia, shall serve its Statement of Position within forty-five (45) Days of receipt of Honeywell's Statement of Position. The United States' Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting that position and any supporting documentation relied upon by the United States. The United States' Statement of Position shall be binding on the company, unless Honeywell files a motion for judicial review of the dispute in accordance with the following Paragraph.

77. Honeywell may seek judicial review of the dispute by filing with the Court and serving on the United States and Virginia a motion requesting judicial resolution of the dispute. The motion must be filed within forty-five (45) Days of receipt of the United States' Statement of Position pursuant to the preceding Paragraph. The motion shall contain a written statement of Honeywell's position on the matter in dispute, including any supporting factual data, analysis, opinion, or documentation, and shall set forth the relief requested and any schedule within which the dispute must be resolved for orderly implementation of the Consent Decree.

78. The United States, in consultation with Virginia, shall respond to Honeywell's motion within the time period allowed by the Local Rules of this Court. Honeywell may file a reply memorandum, to the extent permitted by the Local Rules.

79. Standard of Review

a. Disputes Concerning Matters Accorded Record Review. Except as otherwise provided in this Consent Decree, in any dispute brought under Paragraph 75, above, pertaining to

the adequacy or appropriateness of plans, procedures to implement plans, schedules or any other items requiring approval by EPA under this Consent Decree; the adequacy of the performance of work undertaken pursuant to this Consent Decree; and all other disputes that are accorded review on the administrative record under applicable principles of administrative law, Honeywell shall have the burden of demonstrating, based on the administrative record, that the position of the United States is arbitrary and capricious or otherwise not in accordance with law.

b. Other Disputes. Except as otherwise provided in this Consent Decree, in any other dispute brought under Paragraph 75, above, Honeywell shall bear the burden of demonstrating that its position is consistent with this Consent Decree and furthers the objectives of the Consent Decree more than the position of EPA and/or Virginia.

80. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of Honeywell under this Consent Decree, unless and until final resolution of the dispute so provides. Stipulated penalties with respect to the disputed matter shall continue to accrue from the first Day of noncompliance, but payment shall be stayed pending resolution of the dispute as provided in Paragraph 61 above. If Honeywell does not prevail on the disputed issue, stipulated penalties shall be assessed and paid as provided in Section XVI (Stipulated Penalties), above.

XIX. INFORMATION COLLECTION AND RETENTION

81. The United States, Virginia, and their representatives, including attorneys, contractors, and consultants, shall have the right of entry into any facility covered by this Consent Decree, at all reasonable times, upon presentation of credentials, to:

a. monitor the progress of activities required under this Consent Decree;

b. verify any data or information submitted to the United States or Virginia in accordance with the terms of this Consent Decree;

c. obtain samples and, upon request, splits of any samples taken by Honeywell or its representatives, contractors, or consultants;

d. obtain documentary evidence, including photographs and similar data in Honeywell's possession, custody, or control; and

e. assess Honeywell's compliance with this Consent Decree.

82. Upon request, Honeywell shall provide EPA and VADEQ or their authorized representatives splits of any samples taken by Honeywell. Upon request, EPA and VADEQ shall provide Honeywell splits of any samples taken by EPA or VADEQ.

83. Until five (5) years after the termination of this Consent Decree, Honeywell shall retain, and shall instruct its contractors and agents to preserve, all non-identical copies of all documents, records, or other information (including documents, records, or other information in electronic form) in its or its contractors' or agents' possession or control, or that come into its or its contractors' or agents' possession or control, and that relate in any manner to Honeywell's performance of its obligations under this Consent Decree. This information-retention requirement shall apply regardless of any contrary corporate or institutional policies or procedures. At any time during this information-retention period, upon request by the United States or Virginia, Honeywell shall provide copies of any documents, records, or other information required to be maintained under this Paragraph.

84. At the conclusion of the information-retention period provided in the preceding Paragraph, Honeywell shall notify the United States and Virginia at least ninety (90) Days prior to

the destruction of any documents, records, or other information subject to the requirements of the preceding Paragraph and, upon request by the United States or Virginia, Honeywell shall deliver any such documents, records, or other information to EPA or VADEQ. Honeywell may assert that certain documents, records, or other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If Honeywell asserts such a privilege, it shall provide the following: (1) the title of the document, record, or information; (2) the date of the document, record, or information; (3) the name and title of each author of the document, record, or information; (4) the name and title of each addressee and recipient; (5) a description of the subject of the document, record, or information; and (6) the privilege asserted by Honeywell. However, no documents, records, or other information created or generated pursuant to the requirements of this Consent Decree shall be withheld on grounds of privilege.

85. Honeywell may also assert that information required to be provided under this Section is protected as Confidential Business Information ("CBI") under 40 C.F.R. Part 2. As to any information that Honeywell seeks to protect as CBI, Honeywell shall follow the procedures set forth in 40 C.F.R. Part 2.

86. This Consent Decree in no way limits or affects any right of entry and inspection, or any right to obtain information, held by the United States or Virginia pursuant to applicable federal, state, or local laws, regulations, or permits, nor does it limit or affect any duty or obligation of Honeywell to maintain documents, records, or other information imposed by applicable federal or state laws, regulations, or permits.

XX. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

87. This Consent Decree resolves the civil claims of the United States and Virginia for

the violations alleged in the Notice of Violations (attached as Appendix B) and Complaint filed in this action through the date of lodging of this Consent Decree. This Consent Decree shall resolve all civil liability to the United States and Virginia for violations through the date of lodging of the Applicable NSR/PSD Requirements for NOx at E Train of Area 9 at the Facility. For the purposes of this Part, "Applicable NSR/PSD Requirements" for NOx shall mean: PSD requirements of Part C of Subchapter I of the Act, 42 U.S.C. § 7475, and the regulations promulgated thereunder at 40 CFR 52.21 and 51.166; the portions of the applicable SIPs and related rules adopted as required by 40 C.F.R.. 51.165 and 51.166; "Plan Requirements for Non-Attainment Areas" at Part D of Subchapter I of the Act, 42 U.S.C.§ 7502-7503, and the regulations promulgated thereunder at 40 C.F.R. 51.165(a), (b) 40 C.F.R Part 51, Appendix S, and 40 C.F.R. 52.24; any Title V regulations that implement, adopt, or incorporate the specific regulatory requirements identified above; any applicable state or local regulations that implement, adopt, or incorporate the specific federal regulatory requirements identified above; and any Title V permit provisions that implement, adopt, or incorporate the specific regulatory requirements identified above.

88. The United States and Virginia reserve all legal and equitable remedies available to enforce the provisions of this Consent Decree. This Consent Decree shall not be construed to limit the rights of the United States or Virginia to obtain penalties or injunctive relief under the Act or implementing regulations, or under other federal, state, or local laws, regulations, or permit conditions, except as expressly specified in Paragraph 87, above. The United States and Virginia further reserve all legal and equitable remedies to address any imminent and substantial endangerment to the public health or welfare or the environment arising at, or posed by, Honeywell's Facility, whether related to the violations addressed in this Consent Decree or

otherwise.

89. In any subsequent administrative or judicial proceeding initiated by the United States or Virginia for injunctive relief, civil penalties, other appropriate relief relating to the Facility or Defendant's violations, Defendant shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States or Virginia in the subsequent proceeding were or should have been brought in the instant case, except with respect to claims that have been specifically resolved pursuant to Paragraph 87, above.

90. This Consent Decree is not a permit, or a modification of any permit, under any federal, state, or local laws or regulations. Honeywell is responsible for achieving and maintaining complete compliance with all applicable federal, state, and local laws, regulations, and permits; and Honeywell's compliance with this Consent Decree shall be no defense to any action commenced pursuant to any such laws, regulations, or permits, except as set forth herein. The United States and Virginia do not, by their consent to the entry of this Consent Decree, warrant or aver in any manner that Honeywell's compliance with any aspect of this Consent Decree will result in compliance with provisions of the Act, 42 U.S.C. § 7401 et seq., or with any other provisions of federal, state, or local laws, regulations, or permits.

91. This Consent Decree does not limit or affect the rights of Defendant or of the United States or Virginia against any third parties, not party to this Consent Decree, nor does it limit the rights of third parties, not party to this Consent Decree, against Defendant, except as otherwise provided by law.

92. This Consent Decree shall not be construed to create rights in, or grant any cause of action to, any third party not party to this Consent Decree.

XXI. COSTS

93. The Parties shall bear their own costs of this action, including attorneys' fees, except that the United States and Virginia shall be entitled to collect the costs (including attorneys' fees) incurred in any action necessary to collect any portion of the civil penalty or any stipulated penalties due but not paid by Defendant.

XXII. NOTICES

94. Unless otherwise specified herein, whenever notifications, submissions, or communications are required by this Consent Decree, they shall be made in writing and addressed as follows:

To the United States:

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Box 7611 Ben Franklin Station
Washington, D.C. 20044-7611
Re: DOJ No. 90-5-2-1-09611

and

Director, Air Protection Division
U.S. Environmental Protection Agency
Region III (3AP00)
1650 Arch Street
Philadelphia, PA 19103

To EPA:

Kristen Hall
Environmental Engineer

U.S. Environmental Protection Agency
Region III (3AP12)
1650 Arch Street
Philadelphia, PA 19103
Phone: 215-814-3297
Fax: 215-814-2134
hall.kristen@epa.gov

and

Dennis M. Abraham
Senior Assistant Regional Counsel
U.S. Environmental Protection Agency
Region III (3RC10)
1650 Arch Street
Philadelphia, PA 19103
Phone: 215-814-2695
Fax: 215-814-2603
abraham.dennis@epa.gov

To Virginia and VADEQ:

Deputy Regional Director
Virginia Department of Environmental Quality
Piedmont Regional Office
4949-A Cox Road
Glen Allen, VA 23060
Kyle.Winter@DEQ.Virginia.gov

and

Enforcement Division Director
Virginia Department of Environmental Quality
P.O. Box 1105
629 East Main Street
Richmond, VA 23218
Jefferson.Reynolds@DEQ.Virginia.gov

To Defendant Honeywell:

Thomas E. Knauer
Law Office of Thomas E. Knauer, PLLC
1011 East Main Street, Suite 310
Richmond, VA 23219

Direct: 804-783-7787
Fax: 804-783-0188
Email: tknauer@TKenvirolaw.com

Tom Byrne
Chief Environmental Counsel
Honeywell International Inc.
101 Columbia Road
Morristown, NJ 07962
Phone: 973-455-2775
Fax: 973-455-5904
E-mail: Tom.Byrne@Honeywell.com

Kevin Keller
Plant Manager
Honeywell
905 East Randolph Rd
Hopewell, VA 23860
(804) 541-5366
Kevin.Keller6@Honeywell.com

Donal Hall
HSE Manager
Honeywell
905 East Randolph Rd
Hopewell, VA 23860
(804) 541-5707
Donal.Hall@Honeywell.com

95. Any Party may, by written notice to the other Parties, change its designated notice recipient or notice address provided above.

96. Notices submitted pursuant to this Section shall be deemed submitted upon mailing, unless otherwise provided in this Consent Decree or by mutual agreement of the Parties in writing.

XXIII. EFFECTIVE DATE

97. The Effective Date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court or a motion to enter the Consent Decree is granted, whichever occurs first, as recorded on the Court's docket.

XXIV. RETENTION OF JURISDICTION

98. The Court shall retain jurisdiction over this case until termination of this Consent Decree, for the purpose of resolving disputes arising under this Decree or entering orders modifying this Decree, pursuant to Sections XVIII (Dispute Resolution), above, and XXV (Modification), below, or effectuating or enforcing compliance with the terms of this Decree.

XXV. MODIFICATION

99. The terms of this Consent Decree, including any attached appendices, may be modified only by a subsequent written agreement signed by all the Parties. Where the modification constitutes a material change to this Decree, it shall be effective only upon approval by the Court.

100. Any disputes concerning modification of this Decree shall be resolved pursuant to Section XVIII of this Decree (Dispute Resolution), provided, however, that, instead of the burden of proof provided by Paragraph 79, above, the Party seeking the modification bears the burden of demonstrating that it is entitled to the requested modification in accordance with Federal Rule of Civil Procedure 60(b).

XXVI. TERMINATION

101. After Honeywell has completed the requirements of Sections V – XI and XIII, above, and has thereafter maintained continuous compliance with this Consent Decree and Honeywell's permits identified in Section XI (Permits), above, to the extent that the requirements in those permits are identified above in Paragraph 21, for a period of three years, has complied with all other requirements of this Consent Decree, including those relating to the Preventive Maintenance and Operation Plans required by Paragraph 28, above, and the Defendant has paid the

civil penalties and any accrued stipulated penalties as required by this Consent Decree, the Defendant may serve upon the United States and Virginia a Request for Termination, stating that Defendant has satisfied those requirements, together with all necessary supporting documentation.

102. Following receipt by the United States and Virginia of a Request for Termination, the Parties shall confer informally concerning the Request and any disagreement that the Parties may have as to whether Defendant has satisfactorily complied with the requirements for termination of this Consent Decree. If the United States, after consultation with Virginia, agrees that this Decree may be terminated, the Parties shall submit, for the Court's approval, a joint stipulation terminating this Decree.

103. If the United States, after consultation with Virginia, does not agree that this Decree may be terminated, the Defendant may invoke Dispute Resolution under Section XVIII, above. Defendant shall not seek Dispute Resolution of any dispute regarding termination, under Paragraph 73 of Section XVIII (Dispute Resolution), above, until sixty (60) Days after service of its Request for Termination.

XXVII. PUBLIC PARTICIPATION

104. This Consent Decree shall be lodged with the Court for a period of not less than thirty (30) Days for public notice and comment in accordance with 28 C.F.R. 50.7. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations indicating that the Consent Decree is inappropriate, improper, or inadequate. Defendant consents to entry of this Consent Decree without further notice and agrees not to withdraw from or oppose entry of this Consent Decree by the Court or to challenge any provision of this Decree, unless the United States has notified Defendant in writing

that it no longer supports entry of this Decree.

XXVIII. SIGNATORIES/SERVICE

105. Each undersigned representative of Defendant, Virginia and the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind the Party he or she represents to this document.

106. This Consent Decree may be signed in counterparts, and its validity shall not be challenged on that basis. Defendant agrees to accept service of process by mail with respect to all matters arising under or relating to this Consent Decree and to waive the formal service requirements set forth in Rules 4 and 5 of the Federal Rules of Civil Procedure and any applicable Local Rules of this Court including, but not limited to, service of a summons.

XXIX. INTEGRATION

107. This Consent Decree constitutes the final, complete, and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Decree and supersedes all prior agreements and understandings, whether oral or written, concerning the settlement embodied herein. Other than deliverables that are subsequently submitted and approved pursuant to this Decree, no other document, nor any representation, inducement, agreement, understanding, or promise, constitutes any part of this Decree or the settlement it represents, nor shall it be used in construing the terms of this Decree.

XXX. FINAL JUDGMENT

108. Upon approval and entry of this Consent Decree by the Court, this Consent Decree

shall constitute a final judgment of the Court as to the United States, Virginia, and Defendant.

XXXI. APPENDICES

109. The following appendices are attached to and made part of this Consent Decree:

"Appendix A" is the Enhanced LDAR Program

"Appendix B" contains Notices of Violation

Dated and entered this _____ day of _____2013.

_____

UNITED STATES DISTRICT JUDGE
Eastern District of Virginia

The Undersigned Parties enter into this Consent Decree in the matter of *United States v. Honeywell Resins & Chemicals LLC,* (E.D. Va.) relating to alleged violations of the Clean Air Act.

FOR PLAINTIFF UNITED STATES OF AMERICA:

3/13/13
Date

IGNACIA S. MORENO
Assistant Attorney General
Environment and Natural Resources Division
United States Department of Justice

3/19/13
Date

KATHERINE M. KANE
Senior Attorney
Environmental Enforcement Section
Environment and Natural Resources Division
United States Department of Justice
P.O. Box 7611
Ben Franklin Station
Washington, DC 20044-7611
202-514-0414

The Undersigned Parties enter into this Consent Decree in the matter of *United States v. Honeywell Resins & Chemicals LLC,* (E.D. Va.) relating to alleged violations of the Clean Air Act.

NEIL H. MACBRIDE
UNITED STATES ATTORNEY

By:

3/28/13
Date

ROBERT P. McINTOSH
Virginia Bar Number 66113
Attorney for the United States of America
United States Attorney's Office
600 East Main Street, Suite 1800
Richmond, Virginia 23219
Telephone: (804) 819-5400
Facsimile: (804) 819-7417
Email: Robert.McIntosh@usdoj.gov

The Undersigned Parties enter into this Consent Decree in the matter of *United States v. Honeywell Resins & Chemicals LLC,* (E.D. Va.) relating to alleged violations of the Clean Air Act.

ON BEHALF OF THE ENVIRONMENTAL PROTECTION AGENCY:

1/2/13
Date:

CYNTHIA GILES
Assistant Administrator
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency

9/5/12
Date:

PHILLIP A. BROOKS
Director, Air Enforcement Division
Office of Civil Enforcement
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency

8-28-12
Date:

VIRGINIA SORRELL
Attorney Adviser, Air Enforcement Division
Office of Civil Enforcement
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency

The Undersigned Parties enter into this Consent Decree in the matter of *United States v. Honeywell Resins & Chemicals LLC,* (E.D. Va.) relating to alleged violations of the Clean Air Act.

ON BEHALF OF THE ENVIRONMENTAL PROTECTION AGENCY:

12/19/12
Date

SHAWN M. GARVIN
Regional Administrator
U.S. Environmental Protection Agency, Region III
1650 Arch Street (3RA00)
Philadelphia, PA 19103-2029

12/17/12
Date

MARCIA E. MULKEY
Regional Counsel (3RC00)
U.S. Environmental Protection Agency, Region III
1650 Arch Street
Philadelphia, PA 19103-2029

12/13/12
Date

DENNIS M. ABRAHAM
Senior Assistant Regional Counsel
U.S. Environmental Protection Agency, Region III
1650 Arch Street (3RC10)
Philadelphia, PA 19103-2029
abraham.dennis@epa.gov

The Undersigned Parties enter into this Consent Decree in the matter of *United States v. Honeywell Resins & Chemicals LL*, (E.D. Va.) relating to alleged violations of the Clean Air Act.

FOR PLAINTIFF COMMONWEALTH OF VIRGINIA:

2/6/2013
Date

DAVID K.PAYLOR
Director
Virginia Department of Environmental Quality
629 East Main Street
Richmond, Virginia 23219
David.Paylor@deq.virginia.gov

2/6/13
Date

SARAH J. SURBER
Assistant Attorney General
Environmental Section
Virginia Office of the Attorney General
900 East Main Street
Richmond, Virginia 23219
Ssurber@oag.state.va.us

FOR DEFENDANT HONEYWELL RESINS & CHEMICALS LLC:

12/4/2012
Date

Qamar S. Bhatia
QAMAR S. BHATIA
Vice President and General Manager
Honeywell Resins & Chemicals LLC O.K.

FOR DEFENDANT HONEYWELL RESINS & CHEMICALS LLC:

March 25, 2013

Date

Thomas E. Knauer
Virginia Bar #26120
Attorney for Honeywell Resins & Chemicals LLC
Thomas E. Knauer, PLLC
12101 County Hills Court
Glen Allen, VA 23059
Telephone: 804-783-7787
Email: tknauer@TKenvirolaw.com

APPENDIX A
ENHANCED LDAR PROGRAM

Definitions:

1. The definitions set forth in this Consent Decree shall apply for the purposes of this Appendix A. For purposes of this Appendix A to the Consent Decree, the following definitions shall also apply:

a. "Certified Low-Leaking Valves" shall mean valves for which a manufacturer has issued either: (i) a written guarantee that the valve will not leak above 100 parts per million (ppm) for five years; or (ii) a written guarantee, certification or equivalent documentation that the valve has been tested pursuant to generally-accepted good engineering practices and has been found to be leaking at no greater than 100 ppm.

b. "Certified Low-Leaking Valve Packing Technology" shall mean valve packing technology for which a manufacturer has issued either: (i) a written guarantee that the valve packing technology will not leak above 100 ppm for five years; or (ii) a written guarantee, certification or equivalent documentation that the valve packing technology has been tested pursuant to generally-accepted good engineering practices and has been found to be leaking at no greater than 100 ppm.

c. "Covered Equipment" shall mean all pumps, agitators, open-ended valves or lines, valves and connectors in light liquid or gas/vapor service that are regulated under a federal, state, or local leak detection and repair program in all Covered Process Units.

d. "Covered Process Units" shall mean any process unit subject to any and all federal, state, or local leak detection and repair programs.

e. "DOR" shall mean Delay of Repair.

f. "ELP" shall mean the Enhanced Leak Detection and Repair Program.

g. "LDAR" shall mean Leak Detection and Repair.

h. "LDAR Audit Commencement Date" or "Commencement of an LDAR Audit" shall mean the first day of the on-site inspection that accompanies an LDAR audit.

i. "LDAR Audit Completion Date" or "completion of an LDAR Audit" shall mean one hundred twenty (120) calendar days after the LDAR Audit Commencement Date.

j. "MACT level LDAR work practice standards" shall mean any leak detection and repair program that is defined as a MACT level work practice as referenced in 40 CFR Part 63.

k. "Method 21" shall mean the test method found at 40 CFR Part 60, Appendix A, Method 21.

l. "Non-MACT level LDAR work practice standards" shall mean any leak detection and repair program that is not defined as a MACT level work practice.

m. "OEL" or "Open Ended Line" shall mean any valves, except pressure relief valves, having one side of the valve seat in contact with process fluid and one side open to atmosphere, either directly or through open piping.

n. "Process Unit Shutdown" shall mean a work practice or operational procedure that stops production from a process unit, or part of a process unit, during which it is technically feasible to clear process material from a process unit, or part of a process unit, consistent with safety constraints and during which repairs can be affected. The following ARE NOT considered process unit shutdowns:

1. An unscheduled work practice or operations procedure that stops production from a process unit, or part of a process unit, for less than 24 hours.
2. An unscheduled work practice or operations procedure that would stop production from a process unit, or part of a process unit, for a shorter period of time than would be required to clear the process unit, or part of the process unit, of materials and start up the unit, and would result in bypassing a permitted pollution control device and/or produce greater emissions than delay of repair of leaking components until the next scheduled process unit shutdown.
3. The use of spare equipment and technically feasible bypassing of equipment without stopping production.

o. "Quasi-Directed Maintenance" shall mean the utilization of monitoring (or other method that indicates the relative size of the leak) within the next business day of each attempt at repair of a leaking piece of equipment to achieve an efficient return to below the leak repair trigger.

p. "Screening Value" shall mean the highest emission level that is recorded at each piece of equipment as it is monitored in compliance with Method 21.

Part A: General

2. The requirements of the ELP shall apply to all Covered Equipment except that the requirements of Paragraphs 3 and 33 shall apply to all equipment at the Facility that is regulated under any federal, state, or local LDAR program. The requirements of this ELP are in addition to, and not in lieu of, the requirements of any federal, state, or local LDAR regulation that may be applicable to a piece of Covered Equipment. If there is a conflict between a federal, state or local LDAR regulation and this ELP, Honeywell shall follow whichever is more stringent.

3. By no later than ninety (90) Days after the Effective Date of this Consent Decree, Honeywell shall develop a written facility-wide LDAR Program Plan that describes: (i) its

facility-wide LDAR program (e.g., applicability of regulations to process units and/or specific equipment; leak definitions; monitoring frequencies); (ii) a tracking program (e.g. Management of Change) that ensures that new pieces of equipment added to the Facility for any reason are integrated into the LDAR program and that pieces of equipment that are taken out of service are removed from the LDAR program; (iii) the roles and responsibilities of all employee and contractor personnel assigned to LDAR functions at the Facility; (iv) how the number of personnel dedicated to LDAR functions is sufficient to satisfy the requirements of the LDAR program; and (v) how the Facility plans to implement this ELP. Honeywell shall review this document on an annual basis and update it as needed by no later than December 31 of each year, beginning December 31, 2012.

Part B: Monitoring Frequency

4. By no later than one hundred and eighty (180) Days after the Effective Date of the Consent Decree, for all Covered Equipment, Honeywell shall comply with the following periodic monitoring frequencies, unless more frequent monitoring is required by federal, state or local laws or regulations:

    a. Valves – Quarterly
    b. Connectors – Annually
    c. Pumps/Agitators – Monthly
    d. Open-Ended Lines (monitoring will be done at the closure device) – Annually

    Monitoring frequencies for batch processes shall be determined following monitoring frequency equivalents outlined in 40 CFR 60.482-1(f).

    Monitoring shall not be required for pumps that are seal-less or that are equipped with a dual mechanical seal system that complies with the requirements of 40 CFR 63.163(e).

    Components that are unsafe-to-monitor or inaccessible shall meet the provisions of the HON for unsafe-to-monitor or inaccessible components.

    Monitoring for connectors that require only audio, visual, and olfactory (AVO) monitoring per applicable LDAR regulations shall be conducted per those regulations and in lieu of 4.b.

    Because the LDAR regulations applicable to the Facility prohibit OELs, there is no list of components that will receive this periodic monitoring. The Facility shall meet the 4.d. requirement by inspecting periodically for OELs and monitoring them using Method 21 if any are found.

5. Equipment that has been replaced or repacked pursuant to Part G of this document. For equipment that has been replaced or repacked pursuant to Part G, Honeywell may monitor such equipment at the frequency required by the most stringent regulation that applies to the piece of equipment. If any such piece of equipment is found to be leaking, Honeywell

shall monitor that piece of equipment monthly until the piece of equipment shows no leaks above the action levels in Table 1 of Part D for twelve consecutive months, at which time Honeywell may commence monitoring at the frequency for that type of equipment set forth in either Paragraph 4 or Subparagraph 6.a.

6. Alternative monitoring frequencies for valves, connectors, and open-ended lines after two years. At any time after two consecutive years of monitoring valves, open-ended lines, and connectors pursuant to the requirements of Paragraph 4, Honeywell may elect to comply with the monitoring requirements set forth in this Paragraph by notifying U.S. EPA and Virginia no later than three months prior to commencing the monitoring under this Paragraph. Honeywell may elect to comply with the monitoring requirements of this Paragraph at one or more than one Covered Process Unit but may not make this election for anything less than all pieces of the same type of Covered Equipment (i.e., valves, connectors, or open-ended lines) in each Covered Process Unit. If Honeywell elects to comply with the monitoring requirements of this Paragraph 6, Honeywell shall comply with the requirements of both Subparagraphs 6.a and 6.b; Honeywell cannot elect to comply with Subparagraph 6.a and not 6.b.

   a. For valves, connectors, and open-ended lines that have not leaked at any time for at least two consecutive years of monitoring. For valves, connectors, and open-ended lines that have not leaked at any time for at least the two years prior to electing this alternative, Honeywell shall monitor valves and open-ended lines one time per year and shall monitor connectors one time every two years. If any leaks are detected during this alternative monitoring schedule or during an LDAR audit or a federal, state or local audit or inspection, Honeywell shall immediately start monitoring pursuant to the requirements of Subparagraph 6.b.
   b. For valves, connectors, and open-ended lines that have leaked at any time in the prior two years of monitoring. For valves, connectors, and open-ended lines that have leaked at any time in the prior two years of monitoring, Honeywell shall monitor each piece of equipment monthly until the piece of equipment shows no leaks for twelve consecutive months, at which time, Honeywell may commence monitoring at the frequency for that type of equipment set forth in Subparagraph 6.a.

Part C: Monitoring Methods and Equipment

7. By no later than ninety (90) Days after the Effective Date of this Consent Decree, for all Covered Equipment except for the connectors, and by no later than one hundred and twenty (120) Days after the Effective Date of this Consent Decree for connectors, Honeywell shall comply with Method 21 in performing LDAR monitoring, using a Toxic Vapor Analyzer 1000B Flame Ionization Detector (FID) (or any other device meeting the specifications of Method 21) attached to a data logger, or equivalent equipment, which directly electronically records the Screening Value detected at each piece of equipment, the date and time that each Screening Value is taken, and the identification numbers of the

monitoring instruments and technician. Honeywell shall transfer this monitoring data to an electronic database on at least a weekly basis for recordkeeping purposes.

8. Honeywell shall conduct all calibrations of LDAR monitoring equipment using methane as the calibration gas and in accordance with 40 CFR Part 60 EPA Reference Test Method 21. In addition, Honeywell shall conduct calibration drift assessment re-checks of the LDAR monitoring equipment before each monitoring shift and with one such re-check at the end of each monitoring shift. This calibration drift assessment shall be conducted using a calibration gas with a concentration approximately equal to the applicable internal leak definition. If any calibration drift assessment after the initial calibration shows a negative drift of more than 10% from the previous calibration, Honeywell shall re-monitor all components that had a reading greater than 250ppm within the applicable monitoring period for the component (e.g., annually for connectors). Honeywell shall follow this same procedure if it is necessary to turn off the LDAR monitoring equipment for any reason, except when the device is accidentally turned off and then immediately turned back on, during a monitoring shift. Honeywell shall retain all calibration records for at least one year.

Part D: Leak Detection and Repair Action Levels

9. Honeywell shall identify leaks through both Method 21 monitoring and audio, visual and olfactory sensing inspections.

10. By no later than one hundred and eighty (180) Days after the Effective Date of this Consent Decree, for all Covered Equipment subject to MACT level work practice at which a leak is detected at or above the leak repair action levels listed in Table 1, and for all Covered Equipment subject to non-MACT level work practice at which a leak is detected at or above the leak repair action levels listed in Table 2, Honeywell shall perform repairs in accordance with Paragraphs 12 – 15 of this ELP.

    By no later than three hundred and sixty-five (365) Days after the Effective Date of this Consent Decree, for all Covered Equipment subject to non-MACT level work practice at which a leak is detected at or above the leak repair action levels listed in Table 1, Honeywell shall perform repairs in accordance with Paragraphs 12 – 15 of this ELP.

Table 1: Leak Repair Action Levels by Equipment Type for Components Currently Subject to MACT or 40 CFR Part 63 Subpart H Equivalent

Equipment Type	Lower Leak Definition (ppm)
Valves	250
Connectors	250
Pumps	500
Agitators	2000
OELs (at the Closure Device)	250

Table 2: Leak Repair Action Levels by Equipment Type for Components Currently Subject to a Non-MACT (NSPS) Level Work Practice

Equipment Type	Lower Leak Definition (ppm)
Valves	500
Connectors	500
Pumps	2000
Agitators	5000
OELs (at the Closure Device)	500

11. By no later than ninety (90) Days after the Effective Date of the Consent Decree, for all Covered Equipment, at any time, including outside of periodic monitoring, that a leak is detected through audio, visual, or olfactory sensing, Honeywell must repair the piece of Covered Equipment in accordance with all applicable regulations and with Paragraphs 12 – 15 of this ELP.

Part E: Leak Repairs

12. By no later than five (5) Days after detecting a leak, Honeywell shall perform a first attempt at repair. By no later than fifteen (15) Days after detection, Honeywell shall perform a final attempt at repair or may place the piece of equipment on the Delay of Repair list provided Honeywell has complied with all applicable regulations and with requirements of Paragraphs 13 – 15 and 17.

13. Honeywell shall perform Quasi-Directed Maintenance during all repair attempts.

14. For leaking valves (other than control valves and ball valves), when other repair attempts have proven ineffective and/or Honeywell is not able to remove the leaking valve from service, Honeywell shall use the drill-and-tap repair method prior to placing the leaking valve on the DOR list unless there is a major safety, mechanical, product quality, or environmental issue with repairing the valve using this method. Honeywell shall document the reason(s) why any drill and tap repair was not performed prior to placing any valves on the DOR list. Honeywell shall attempt at least two drill-and-tap repairs or equivalent before placing a valve on the DOR list, unless a valve has been identified as a major safety, mechanical, product quality, or environmental risk pursuant to this Paragraph.

15. For each leak, Honeywell shall record the following information: the date of all repair attempts; the repair methods used during each repair attempt; the date, time and Screening Values for all re-monitoring events; and, if relevant, the information required under Paragraphs 14 and 17 for Covered Equipment placed on the DOR list.

16. Nothing in Paragraph 12 – 15 is intended to prevent Honeywell from taking a leaking piece of Covered Equipment out of service; provided however, that prior to placing the

leaking piece of Covered Equipment back in service, Honeywell must repair the leak or must comply with the requirements of Part F (Delay of Repair) to place the piece of Covered Equipment on the DOR list.

Part F: Delay of Repair

17. By no later than three (3) months after the Effective Date of this Consent Decree, for all Covered Equipment placed on the DOR list, Honeywell shall require the following:

    a. Sign-off from the plant manager, a corporate official responsible for environmental management and compliance, or a corporate official responsible for plant engineering management that the piece of Covered Equipment is technically infeasible to repair without a Process Unit Shutdown; and

    b. Periodic monitoring, at the frequency required for other pieces of Covered Equipment of that type in the process unit, of the Covered Equipment placed on the DOR list.

    c. Under no circumstances shall more than 2% of the total components subject to LDAR requirements exceed more than one year on DOR, nor shall more than 1% of the total components subject to LDAR requirements exceed more than two years on DOR, and all components are required to be repaired within 3 years of being placed on DOR.

Part G: Equipment Replacement/ Improvement Program

18. Commencing no later than nine (9) months after the Effective Date of this Consent Decree and continuing until termination, Honeywell shall implement the program set forth in Paragraphs 19 to 23 to replace and/or improve the emissions performance of the valves and connectors in each Covered Process Unit.

19. Valves:

    a. List of all valves in the Covered Process Units. By no later than sixty (60) Days after the Effective Date of this Consent Decree, Honeywell shall submit to EPA and VADEQ a list of all valves in each Covered Process Unit that are in existence as of the Effective Date. The valves on this list shall be the "Existing Valves" for purposes of this Paragraph 19.

    b. Installing new valves. Except as provided in Paragraph 20, Honeywell shall ensure that each new valve that it installs in any Covered Process Unit either is a Certified Low-Leaking Valve or is fitted with Certified Low-Leaking Valve Packing Technology.

c. Replacing or repacking Existing Valves that have Screening Values at or above 250 ppm. Except as provided in Paragraph 20, for each Existing Valve in each Covered Process Unit that has a Screening Value at or above 250 ppm during any two monitoring events during a rolling 12-month period, Honeywell shall replace or repack the Existing Valve with a Certified Low-Leaking Valve or with Certified Low-Leaking Valve Packing Technology. Honeywell shall undertake this replacement or repacking by no later than thirty (30) Days after the monitoring event that triggers the replacement or repacking requirement, unless the replacement or repacking requires a Process Unit Shutdown. If the replacement or repacking requires a Process Unit Shutdown, Honeywell shall undertake the replacement or repacking during the first Process Unit Shutdown that follows the monitoring event that triggers the replacement or repacking requirement. If Honeywell completes the replacement or repacking within 30 Days of detecting the leak, Honeywell shall not be required to comply with Part E of this Appendix A. If Honeywell does not complete the replacement or repacking within 30 Days, or if, at the time of the leak detection, Honeywell reasonably can anticipate that it might not be able to complete the replacement or repacking within 30 Days, Honeywell shall comply with all applicable requirements of Part E.

d. Replacing or repacking Existing Valves that have Screening Values between 100 ppm and 250 ppm.

Beginning no later than six (6) months after the Leak Definitions of Table 1 are effective to the applicable Covered Equipment, Honeywell will begin replacing or repacking Existing Valves that have Screening Values between 100 ppm and 250 ppm.

i First time. Except as provided in Paragraph 20, for each Covered Process Unit, prior to the first Process Unit Shutdown, Honeywell shall generate a list of all Existing Valves that had Screening Values between 100 ppm and 250 ppm during any two monitoring events over a rolling 12-month period that took place between the Effective Date of this Consent Decree and the last calendar quarter prior to the first Process Unit Shutdown. Honeywell shall prioritize the list to the extent possible in descending order from worst leaks (at the top) to least-worst leaks (at the bottom). Any Existing Valve that leaked two or more times shall be placed higher on the list than any Existing Valve that leaked only once. Honeywell shall replace or repack with either Certified Low-Leaking Valves or with Certified Low-Leaking Valve Packing Technology the lesser of: (A) all Existing Valves on the list; or (B) the number of Existing Valves that results from solving the equation set forth below for "V_{TBRR}" ("Valves To Be Repacked or Replaced"). If (B) applies, Honeywell shall replace or repack the Existing Valves, starting at the top of the list and proceeding downward. If the equation set forth below yields a fraction, the results shall be rounded to the nearest whole number and fractions above 0.50 shall be rounded up.

$V_{TBRR} = 0.10 \times (V_T - V_{DOR} - V_{PRR} - V_{PR})$
Where:

V_{TBRR}: Existing Valves that have leaked between 100 ppm and 250 ppm and are to be replaced or repacked at the Process Unit Shutdown with either Certified Low-Leaking Valves or with Certified Low-Leaking Valve Packing Technology

V_T: Total Existing Valves in Covered Process Unit at the time of the Process Unit Shutdown

V_{DOR}: Existing Valve(s) on Delay of Repair list that are to be repacked or replaced at the Process Unit Shutdown

V_{PRR}: Existing Valve(s) that has (have) been previously replaced or repacked with either Certified Low-Leaking Valves or with Certified Low-Leaking Valve Packing Technology

V_{PR}: Existing Valve(s) that is (are) pending repair (i.e., replacement or repacking) prior to the Process Unit Shutdown

ii. Replacement or repackings during subsequent Process Unit Shutdowns. Except as provided in Paragraph 20, Honeywell shall comply with the requirements of Subparagraph 19.d.i. at each Process Unit Shutdown of each Covered Process Unit. In order to generate the list of Existing Valves that leak between 100 ppm and 250 ppm during any two monitoring events over a rolling 12-month period for these subsequent Process Unit Shutdowns, Honeywell shall utilize the Screening Values of the monitoring events that took place between the last Process Unit Shutdown and the last calendar quarter prior to the current Process Unit Shutdown.

iii. Valve Elimination Program (Optional):

(A) For each Covered Process Unit, by no later than three (3) months prior to the first Process Unit Shutdown, Honeywell may submit to EPA and VADEQ for review and comment a proposal to eliminate Existing Valves in organic hazardous air pollutant (HAP) service for the exclusive purpose of eliminating possible HAP emissions ("Valve Elimination Proposal"). Eliminating Existing Valves in organic HAP service shall mean the physical removal of the interface where potential fugitive HAP emissions may occur while simultaneously not creating another fugitive emission point. Honeywell may utilize as a credit toward the number of Existing Valves that it must repack or replace (i.e., "V_{TBRR}") all Existing Valves that it proposes for elimination. Honeywell must thereafter permanently eliminate those Existing Valves from service during the first Process Unit Shutdown of each Covered Process Unit. If the number of Existing

Valves proposed for elimination and actually eliminated during the first Process Unit Shutdown exceeds the number of valves required to be replaced or repacked during the first Process Unit Shutdown, Honeywell may take credit for those Existing Valves in the replacements or repacking that are required in the subsequent Process Unit Shutdowns pursuant to Subparagraph 19.d.ii.

(B) Honeywell may propose for elimination only those Existing Valves that it will eliminate for the exclusive purposes of reducing possible HAP emissions. Valve eliminations resulting from equipment or process unit changes that Honeywell otherwise would undertake for any other reason may not be utilized for purposes of this Subparagraph 19.d.iii.

(C) EPA and VADEQ do not, by their review of Honeywell's Valve Elimination Proposal and/or its failure to comment on Honeywell's Valve Elimination Proposal, warrant or aver in any manner that Honeywell's elimination of any Existing Valves conforms to the requirements of Subparagraph 19.d.iii (A) or (B). Honeywell remains exclusively responsible for complying with those requirements.

20. Commercial unavailability of Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology. Honeywell shall not be required to utilize a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology to replace or repack a valve if a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology is commercially unavailable. Prior to claiming this commercial unavailability exemption, Honeywell must contact a reasonable number of vendors of valves and obtain a written representation or equivalent documentation from each vendor that the particular valve that Honeywell needs is commercially unavailable either as a Certified Low-Leaking Valve or with Certified Low-Leaking Valve Packing Technology. In the Compliance Status Reports due under Part N of this Appendix A, Honeywell shall: (i) identify each valve for which it could not comply with the requirement to replace or repack the valve with a Certified Low-Leaking Valve or Certified Low-Leaking Valve Packing Technology; (ii) identify the vendors it contacted to determine the unavailability of such a Valve or Packing Technology; and (iii) include the written representations or documentation that Honeywell secured from each vendor regarding the unavailability.

21. Records of Certified Low-Leaking Valves and Certified Low-Leaking Valve Packing Technology. Prior to installing any Certified Low-Leaking Valves or Certified Low-Leaking Valve Packing Technology, Honeywell shall secure from each manufacturer documentation that demonstrates that the proposed valve or packing technology meets the definition of "Certified Low-Leaking Valve" and/or "Certified Low-Leaking Valve Packing Technology." Honeywell shall retain documentation in accordance with Section XIX and make it available upon request.

22. Connectors:

a. Connector replacement and improvement descriptions. For purposes of this Paragraph 22, for each of the following types of connectors, the following type of replacement or improvement shall apply:

Connector Type	Replacement or Improvement Description
Flanged	Replacement or Improvement of the gasket
Threaded	Replacement or Improvement of the doping or taping
Compression	Replacement of the Connector
CamLock	Replacement or Improvement of the gasket
Quick Connect	Replacement or Improvement of the gasket, if applicable, or replacement of the connector if no gasket
Any type	Elimination (e.g., through welding, pipe replacement, etc.)

b. Installing new connectors. In installing any new connector in a Covered Process Unit, Honeywell shall use best efforts to install a connector that is least likely to leak, using good engineering judgment, for the service and operating conditions that the connector is in.

c. Replacing or improving connectors. For each connector that two out of three consecutive monitoring periods has a Screening Value at or above 250 ppm, Honeywell shall replace or improve the connector in accordance with the applicable replacement or improvement described in Subparagraph 22.a. Honeywell shall use best efforts to install a replacement or improvement that will be the least likely to leak, using good engineering judgment, for the service and operating conditions that the connector is in. Honeywell shall undertake the replacement or improvement within thirty (30) Days after the monitoring event that triggers the replacement or improvement, except where the replacement or upgrade requires a Process Unit Shutdown. If the replacement or improvement requires a Process Unit Shutdown, Honeywell shall undertake the replacement or improvement during the first Process Unit Shutdown that follows the monitoring event that triggers the requirements to replace or improve the connector. If Honeywell completes the replacement or improvement within 30 Days of detecting the leak, Honeywell shall not be required to comply with Part E of this Appendix A. If Honeywell does not complete the replacement or improvement within 30 Days, or if, at the time of the leak detection, Honeywell reasonably can anticipate that it might not be able to complete the

replacement or improvement within 30 Days, Honeywell shall comply with all applicable requirements of Part E.

23. Equipment Replacement/Improvement Report. In each Compliance Status Report due under Appendix A, Part N, Honeywell shall include a separate section in the Report that: (i) describes the actions it took to comply with this Part G, including identifying each piece of equipment that was replaced or upgraded; and (ii) identifies the schedule for any future replacements or upgrades.

Part H: Management of Change:

24. Management of Change. Honeywell shall ensure that each piece of equipment added to the Facility or removed from the Facility for any reason is evaluated to determine if it is or was subject to LDAR requirements and that such pieces of equipment are integrated into or removed from the LDAR program.

Part I: Training

25. By no later than six (6) months after the Effective Date of the Consent Decree, Honeywell, shall develop a training protocol to ensure that refresher training is performed once per calendar year and that new personnel are sufficiently trained prior to any involvement in the LDAR program. By no later than twelve (12) months after the Effective Date of the Consent Decree, Honeywell shall ensure that all employees and contractors responsible for LDAR monitoring, maintenance of LDAR equipment, LDAR repairs and/or any other duties generated by the LDAR program have completed training on all aspects of LDAR that are relevant to the person's duties.

Part J: Quality Assurance ("QA")/Quality Control ("QC")

26. Daily Certification by Monitoring Technicians. Commencing by no later than three (3) months after the Effective Date of this Consent Decree, on each day that monitoring occurs, at the end of such monitoring, Honeywell shall ensure that each monitoring technician certifies that the data collected represents the monitoring performed for that day by requiring the monitoring technician to sign a form that includes the following certification:

> On [insert date], I reviewed the monitoring data that I collected today and that to the best of my knowledge and belief; the data accurately represent the monitoring I performed today.

In lieu of a form for each technician for each day of monitoring, a log sheet may be created that includes the certification that the monitoring technicians would date and sign each day that the technician collects data.

27. Commencing no later than the first full calendar quarter after the Effective Date of this Consent Decree, during each calendar quarter, at unannounced times, an LDAR trained employee of Honeywell (or Honeywell employed LDAR trained third party not employed by the site's regular LDAR monitoring contractor), who does not serve as an LDAR monitoring technician on a routine basis, shall conduct an audit of the site's LDAR program. This audit is intended as a systems audit and is not intended to review all records for each component. This audit shall include the following:

    a. No less that once per quarter, review whether any pieces of equipment that are required to be in the LDAR program are not included;
    b. No less that once per quarter, verify that equipment was monitored at the appropriate frequency;
    c. No less that once per quarter, verify that proper documentation and sign-offs have been recorded for all equipment placed on the DOR list;
    d. No less than once per quarter, ensure that repairs have been performed within the required timeframe;
    e. No less than once per quarter, review monitoring data and equipment counts (e.g., number of pieces of equipment monitored per day) for feasibility and unusual trends;
    f. No less than once per quarter, verify that proper calibration records and monitoring instrument maintenance information are stored and maintained;
    g. No less than once per quarter, verify that other LDAR program records are maintained as required; and
    h. No less than once per quarter per monitoring technician, observe LDAR monitoring technicians in the field to ensure monitoring is being conducted as required.

Honeywell shall correct any deficiencies detected or observed as soon as practicable. Honeywell shall maintain a log that: (i) records the date and time that the reviews, verifications and observations required by this Paragraph were undertaken: and (ii) describes the nature and timing of any corrective action taken.

Part K: LDAR Audits and Corrective Action

28. Honeywell shall conduct LDAR audits pursuant to the schedule in Paragraph 29 and the requirements of Paragraph 30. Honeywell shall retain a third-party with experience in conducting LDAR audits to conduct no less than the initial audit and follow-up audits every two (2) years until termination of the Consent Decree. To perform the third-party audit, Honeywell shall select a different company than its regular LDAR contractor. At its discretion, in years which Honeywell is not required to retain a third-party auditor, Honeywell may conduct the audit internally by using its own personnel, provided that the personnel Honeywell uses are not employed at the facility being audited but rather are employed centrally or at one or more other Honeywell facilities. All such internal audits must be conducted by personnel familiar with regulatory LDAR requirements and this ELP.

29. Until termination of this Consent Decree, Honeywell shall ensure that an LDAR audit at the Facility is conducted every two (2) years in accordance with the following schedule: for the first LDAR audit at the Facility, the LDAR Audit Commencement Date shall be no later than six (6) months after the Effective Date of this Consent Decree. For each subsequent LDAR audit, the LDAR Audit Completion Date shall occur within the same calendar quarter that the first LDAR Audit Completion Date occurred.

30. Each LDAR audit shall include, but not be limited to, reviewing compliance with all applicable regulations, reviewing and/or verifying the same items that are required to be reviewed and/or verified in Paragraph 27, and performing the following activities:

    a. Calculating a Comparative Monitoring Audit Leak Percentage. Covered Equipment shall be monitored to calculate a leak percentage for each Covered Process Unit broken down by equipment type (i.e., valves, pumps, agitators, connectors, and OELs at the closure device). The monitoring that takes place during the audit shall be called "comparative monitoring" and the leak percentages derived from the comparative monitoring shall be called the "Comparative Monitoring Audit Leak Percentage." Until termination of this Consent Decree, Honeywell shall conduct a comparative monitoring audit pursuant to this Subparagraph of at least three (3) Covered Process Units during each LDAR audit. Each Covered Process Unit at the Facility that is not the subject of the current audit shall have a comparative monitoring audit at least once before a previously-audited Covered Process Unit is audited again.
    b. Calculating the Historic Average Leak Percentage from prior periodic monitoring events. For the Covered Process Unit that is audited, the "Historic Average Leak Percentage" from prior monitoring events, broken down by equipment type (i.e., valves, pumps, agitators, connectors and OELs at the closure device) shall be calculated. The following number of complete monitoring periods immediately preceding the comparative monitoring audit shall be used for this purpose: valves – 2 periods; pumps and agitators – 12 periods; connectors – 1 period; and open-ended lines – 2 periods.
    c. Calculating the Comparative Monitoring Leak Ratio. For the Covered Process Unit that is audited, the ratio of the Comparative Monitoring Audit Leak Percentage from Subparagraph 30.a. to the Historic Average Leak Percentage from Subparagraph 30.b shall be calculated. If a calculated ratio yields an infinite result, Honeywell shall assume one leaking piece of equipment was found in the process unit through its routine monitoring during the 12-month period before the audit, and the ratio shall be recalculated.

       In the first LDAR audit, Honeywell shall not be required to undertake comparative monitoring on OELs or calculate a Comparative Monitoring Leak Ratio for OELs because of the unavailability of historic, average leak percentages for OELs.

    d. Compliance with this ELP. In addition to these items, LDAR audits after the first

audit shall include reviewing the Facility's compliance with this ELP.

31. When more frequent periodic monitoring is required. If a Comparative Monitoring Audit Leak Percentage calculated pursuant to Subparagraph 30.a. triggers a more frequent monitoring schedule under any applicable federal, state, or local law or regulation than the frequencies listed in Part B – that is either Paragraph 4, 5, or 6 – for the equipment type in that Covered Process Unit, Honeywell shall monitor the affected type of equipment at the greater frequency unless and until less frequent monitoring is again allowed under the specific federal, state, or local law or regulation. At no time may Honeywell monitor at intervals less frequently than those in the applicable Paragraph in Part B.

32. Corrective Action Plan:

    a. Requirements of a CAP. By no later than thirty (30) Days after receipt of each LDAR Audit Report, Honeywell shall develop a preliminary corrective action plan ("CAP") if the results of an LDAR audit identify any deficiencies or if the Comparative Monitoring Leak Ratio calculated pursuant to the Subparagraph 30.c. is 3.0 or higher. The CAP shall describe the actions that Honeywell shall take to correct the deficiencies and/or the systematic causes of a Comparative Monitoring Leak Ratio that is 3.0 or higher. The CAP also shall include a schedule by which those actions shall be undertaken. Honeywell shall complete each corrective action as expeditiously as possible with the goal of completing each action within ninety (90) Days after receipt of the LDAR Audit Report. If any action is not completed or is not expected to be completed within 90 Days after receipt of the LDAR Audit Report, Honeywell shall explain the reasons in the final CAP to be submitted under Subparagraph 32.b., together with a proposed schedule for completion of the action(s) as expeditiously as practicable. Nothing in this provision shall change Honeywell's obligation to promptly address any violations of LDAR requirements that may be found during the audit and in advance of the final LDAR Audit Report.

    b. Submissions of the CAP to EPA. By no later than one hundred and twenty (120) Days after receipt of the LDAR Audit Report, Honeywell shall submit the final CAP to EPA with a copy forwarded to VADEQ, together with a certification of the completion of corrective action(s). For any corrective actions requiring more than 120 Days to complete, Honeywell shall include an explanation together with a proposed schedule for completion as expeditiously as practicable.

    c. Approval/Disapproval of all or parts of a CAP:

        i. Unless within sixty (60) Days after receipt of the CAP, EPA, in consultation with VADEQ, disapproves of all or part of a CAP's proposed actions and/or schedules, the CAP shall be deemed approved.
        ii. By no later than sixty (60) Days after the receipt of Honeywell's CAP, EPA, in consultation with VADEQ, may disapprove any or all aspects of the CAP.

Each item that is not specifically disapproved shall be deemed approved. Except for good cause, EPA may not disapprove of any action within the CAP that already has been completed. Within forty-five (45) Days of receipt of any disapproval from EPA, Honeywell shall submit a revised CAP that addresses the deficiencies that EPA identified. Honeywell shall implement the revised CAP either pursuant to the schedule that EPA proposed, or, if EPA did not so specify, as expeditiously as practicable.

iii. A dispute arising with respect to any aspect of a CAP shall be resolved in accordance with the dispute resolution provisions of this Decree.

Part L: Certification of Compliance

33. Unless the request for a schedule extension is approved by EPA, in consultation with VADEQ, within two hundred and forty (240) Days after receipt of the Audit Report, Honeywell shall submit a certification to EPA and VADEQ that: (i) the Facility is in compliance with all applicable LDAR regulations and this ELP; (ii) Honeywell has completed all corrective actions, if applicable, or is in the process of completing all corrective actions pursuant to a CAP: and (iii) all equipment at the Facility that is regulated under any federal, state, or local leak detection program has been identified and included in the Facility's LDAR program.

Part M: Recordkeeping

34. Honeywell shall keep all original records, including copies of all LDAR audits, to document compliance with the requirements of this ELP in accordance with Section XI of this Consent Decree. All monitoring data, leak repair data, training records, and audits will be retained for five (5) years, except for the calibration records (including calibration drift assessments) which will be retained for one (1) year. Upon request by EPA and/or VADEQ, Honeywell shall make all such documents available to EPA and or VADEQ and shall provide, in their original electronic format, all LDAR monitoring data generated during the life of this Consent Decree.

Part N: Reporting

35. Compliance Status Reports. On the dates for the time periods set forth in Paragraph 36, Honeywell shall submit, in the manner set forth in Section XIV (Notices) of the Consent Decree, a compliance status report regarding compliance with the ELP. Honeywell may, should it so choose, submit this report as part of its semiannual consent decree report. The compliance status report shall include the following information:

    a. The number of personnel assigned to LDAR functions at the Facility and the percentage of time each person dedicated to performing his/her LDAR functions;

b. An identification and description of any non-compliance with the requirements of Appendix A;

c. An identification of any problems encountered in complying with the requirements of Appendix A:

d. The information required in Appendix A, Paragraph 20;

e. A description of any LDAR training required in accordance with Appendix A, Part I of this Consent Decree;

f. Any deviations identified in the QA/QC performed under Appendix A, Part J, as well as any corrective actions taken under that Part;

g. A summary of LDAR audit results, including specifically identifying all deficiencies; and

h. The status of all actions under any CAP that was submitted pursuant to Part K of Appendix A during the reporting period.

36. Due dates. The first compliance status report shall be due thirty-one (31) Days after the first full half-year after the Date of Entry of this Consent Decree (i.e., either: (i) January 31 of the year after the Date of Entry, if the Date of Entry is between January 1 and June 30 of the preceding year; or (ii) July 31 of the year after the Date of Entry, if the Date of Entry is between July 1 and December 31). The initial report shall cover the period between the Date of Entry and the first full half year after the Date of Entry (a "half year" runs between January 1 and June 30 and between July 1 and December 31). Until termination of this Decree, each subsequent report will be due on the same date in the following year and shall cover the prior two half years (i.e., either January 1 to December 31 or July 1 to June 30).

37. Each compliance status report submitted under this Part shall be signed by the plant manager, a corporate officer responsible for environmental management and compliance, or a corporate official responsible for plant engineering management, and shall include the following certification:

> I certify under penalty of law that I have examined and am familiar with the information in the enclosed documents(s), including all attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief, true and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to Section 113(c)(3) of the Clean Air Act and 18 U.S.C Sections 1001 and 1341.

Appendix B to Consent Decree in United States and Commonwealth of Virginia v. Honeywell Resins & Chemicals, LLC

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

In the Matter of:

Honeywell International Inc. Honeywell Hopewell 905 E. Randolph Road Hopewell VA 23860	:	**NOTICE OF VIOLATION** **Docket No. CAA-111-09-06**

STATUTORY AUTHORITY

This Notice of Violation is issued pursuant to Section 113(a)(1) and (3) of the Clean Air Act ("CAA" or the "Act"), as amended, on November 15, 1990 by P.L. 101-549, 42 U.S.C. §7413(a)(1) and (3), to Honeywell International Inc. ("Honeywell" or "Respondent") for violations of the CAA, certain requirements of Honeywell's Title V operating permit, and Virginia's State Implementation Plan (the "Virginia SIP") found at 40 CFR Part 52, Subpart VV, Section 52.2420(c), at Honeywell's manufacturing facility located at 905 East Randolph Road, Hopewell, Virginia 23860 (hereinafter, the "Honeywell Facility" or the "Facility"). Section 113(a)(1) of the Act requires the Administrator of the United States Environmental Protection Agency ("EPA" or the "Agency") to notify a person in violation of any requirement or prohibition of an applicable implementation plan or permit, and the State in which the plan applies of such violation. The authority to issue NOVs has been delegated to the Director of EPA Region III's Air Protection Division. A description of the regulatory background, the relevant facts a list of the specific violations identified by EPA are outlined below. The geographical jurisdiction of EPA Region III includes the Commonwealth of Virginia.

FINDINGS OF FACT

1. Honeywell International, Inc. is a Delaware corporation headquartered at 101 Columbia Road, Morristown, NJ 07962. This is a publicly-owned company with facilities worldwide.

2. The Honeywell Facility is a Title V "major source" engaged in the production of chemicals for use as a product, co-product, by-product or intermediate. Honeywell principally manufactures caprolactam, a petrochemical used in the manufacturing of nylon 6, a synthetic fiber. The majority of caprolactam is shipped as a molten liquid to facilities in Columbia, South Carolina and Chesterfield, Virginia for conversion to nylon-6. Co-products from caprolactam production include: ammonium sulfate (for the agricultural industry), cyclohexanol,

cyclohexanone and oxime chemicals. Ammonium sulfate is the largest volume chemical produced at the Honeywell Facility. A total of 19 million pounds of chemicals are manufactured per day at the Facility, and 11 million pounds per day of those chemicals are consumed internally as intermediates to manufacture caprolactam.

3. The Commonwealth of Virginia issued a Title V Operating Permit for the Facility (Permit # PRO50232), effective January 1, 2007 through December 31, 2011 (the "Title V Permit").

4. Section 112 of the CAA, 42 U.S.C § 7412, requires the Administrator of EPA to publish a list of air pollutants determined to be hazardous and to promulgate regulations establishing emission standards, or where necessary, design, equipment, work practice or operations standards for each listed hazardous air pollutant ("HAP"). Pursuant to Section 112 of the Act, 42 U.S.C. § 7412, EPA promulgated 40 CFR Part 61, Subpart FF, the National Emission Standards for Benzene Waste Operations ("Benzene Waste NESHAP" or "Subpart FF").

5. The requirements of the Benzene Waste NESHAP apply to the Honeywell Facility because it is both a chemical manufacturing plant and a treatment, storage and disposal facility, as Honeywell treats its own hazardous waste on-site. 40 CFR §§61.340(a) and (b). Honeywell is, therefore, an "affected facility" subject to the provisions of the Benzene Waste NESHAP and must control its benzene emissions released during collection and treatment of waste streams which contain benzene and which volatilize as they are transported through process sewers, sumps and collection systems. 40 CFR §§61.342(a)

6. Pursuant to Condition 51 of Honeywell's Title V Permit, Honeywell is subject to 40 CFR Part 63 Subpart H, the National Emission Standard for Organic Hazardous Air Pollutants from Equipment Leaks ("HON" or "Subpart H").

7. The Leak Detection and Repair ("LDAR") provisions of the HON applies to pumps, compressors, agitators, pressure relief devices, sampling connection systems, open-ended valves or lines, valves, connectors, surge control vessels, bottoms receivers, instrumentation systems, and control devices or closed vent systems required by Subpart H that are intended to operate in organic hazardous air pollutant service 300 hours or more during a calendar year for Area 6 of the Facility.

8. In April of 2007, duly authorized personnel from EPA Region III and the EPA National Enforcement and Investigations Center, conducted a Clean Air Act Inspection, including on-site LDAR monitoring at the Facility. In November of 2007, EPA conducted Clear Air Act sampling at the Facility.

9. Condition 109 of Honeywell's Title V Permit requires that fugitive volatile organic compound ("VOC") emissions resulting from equipment leaks in those portions of Area 8/16 Crude Caprolactam Production, not already subject to fugitive emissions requirements from other applicable regulations shall be controlled through an LDAR program. The LDAR program shall be substantively equivalent to the LDAR requirements specified in 40 CFR 60, Subpart VV. Condition #E.7 of the 3/26/1997 RACT Agreement and 9 VAC 5-80-110 of Virginia State Regulations.

10. Condition 307 of Honeywell's Title V Permit requires that volatile organic compound emissions from fugitive equipment leaks from Area 14 and the Honeywell Chemicals OS-1000 manufacturing process and the Honeywell Chemicals Multi-Purpose Oximation process shall be controlled by a Leak Detection and Repair (LDAR) Program. (Condition #4 of the 9/7/2007 NSR Permit and 9 VAC 5-80-110 of State Regulations)

11. Condition 308 of Honeywell's Title V Permit requires fugitive VOC emissions resulting from equipment leaks in those portions of Area 14 not already subject to fugitive emissions requirements from other applicable regulations shall be controlled through a Leak Detection and Repair (LDAR) program. The LDAR program shall be substantively equivalent to the LDAR requirements specified in 40 CFR 60, Subpart VV. (Condition #E.7 of the 3/26/1997 RACT Agreement and 9 VAC 5-80-110 of State Regulations)

12. Section XVII of Honeywell's Title V outlines General Conditions applicable to the Facility. Section A. Federal Enforceability states that, all terms and conditions in this permit are enforceable by the administrator and citizens under the federal Clean Air Act, except those that have been designated as only state-enforceable.

II. VIOLATIONS

A. 40 CFR Part 61 Subpart FF- National Emission Standard for Benzene Waste Operations

13. Failure to properly identify benzene NESHAP POG in various areas of the Facility, for purposes of calculating TAB emissions, as required by 40 CFR § 61.355(a), (b) and 40 CFR § 61.355(c)(1)(i). Based on discussions with Honeywell personnel, review of Honeywell files and EPA inspector observations, aqueous waste containing benzene is commonly accumulated; stored; or physically, chemically, thermally, or biologically treated prior to being discarded, recycled, or discharged at the Facility.

14. Sampling for benzene at the VT-31 tap while the tank is open to the atmosphere via the overflow to the process sewer which provides for volatilization of benzene as a means to reduce benzene concentration, in violation of 40 CFR § 61.355(c)(1)(ii).

15. Benzene samples taken from VT-31 are not taken from an enclosed pipe prior to the water being exposed to the atmosphere, in violation of 40 CFR § 61.355(c)(3)(i).

16. Benzene samples were diluted by mixing the waste stream with other wastewaters prior to quantification. Honeywell samples EV-19 and EV-27 out of their respective hot wells. Both of the respective hot wells receive four additional sources of wastewater at varying temperatures and flow rates. The hot wells overflow a weir into a sump, which then flows into the clear water sewer, in violation of 40 CFR § 61.355(c)(1)(iii).

17. Benzene Waste NESHAP TAB reports for calendar years 2002 through 2006 for the POG locations identified by Honeywell did not provide all information required by 40 CFR § 61.356(b). Specifically, for each waste stream not controlled for benzene emissions, Honeywell's records or reports failed to provide: all test results; measurements; calculations and other documentation used to determine the following information for the waste stream: waste stream identification, water content, whether or not the waste stream is a process wastewater stream, annual waste quantity, range of benzene concentrations, annual average flow-weighted benzene concentration, and annual benzene quantity. In addition, Honeywell failed to provide any background information and "other documentation", as defined and required by 40 CFR § 61.356(b)(1), to demonstrate that the EPA-identified POG locations were not subject to the Benzene Waste NESHAP TAB reporting requirements, in violation of 40 CFR § 61.356(b) and 40 CFR § 61.356(b)(1).

18. Since 2003, Honeywell has under reported the actual contribution of benzene from VT-666 tank, which is a violation of 40 CFR § 61.357(a)(4).

19. Honeywell failed to address or quantify fugitive emissions from process sewer conveyances, the wet well, the equalization basin or the diversion basin. Fugitive emissions from these units must be quantified and reported, in accordance with 9 VAC 5-20-160, and 40 CFR § Part 52, Subpart VV.1

20. Honeywell's February 14, 2005 Notification of Compliance Status ("NOCS") did not contain proper records to determine if, at a minimum, method 624 was properly followed when samples were collected in 1996. Honeywell did not provide this documentation when requested during inspection. Specifically, the NOCS was incomplete in that it did not contain, nor could Honeywell produce (as required by Method 624) laboratory analysis sheets, preservation and holding times, in accordance with 40 CFR § 63.152(b)(1)(ii).

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1 EPA approved 9 VAC 5-20-160 as part of the Virginia State Implementation Plan on 2/21/2000. See, 65 FR 21315.

B. 40 CFR Part 63 Subpart H – The National Emission Standards for Organic Hazardous Air Pollutants from Equipment Leaks and Virginia Title V Operating Permit –for the Honeywell International Inc. – Hopewell Plant; Permit Number PRO50232

21. The Facility has approximately 18,000 to 19,000 components which include: valves, pumps, connectors and agitators. Although Honeywell's Leak Detection Repair and Monitoring program (LDAR) is contracted out, Honeywell's own plant maintenance personnel perform all repair attempts on leaking components. Paragraphs 22 through 30 below list the areas of concern found at the time of EPA's LDAR inspection, April 23, 2007 – May 3, 2007.

22. EPA's review of Honeywell's LDAR Facility Emission Management System ("FEMS") data for the past five (5) years indicates that Honeywell failed to attempt to repair at least 79 components, within 5 days of detecting the leak. These components are subject to Subpart H and/or required by the Title V Permit to be under an LDAR program substantively equivalent to 40 CFR Part 60 Subpart VV. This is a violation of 40 CFR § 63. 168(f)(2), 40 CFR §§ 63.163(c)(2), and 63.174(g) and/or Condition #E.7 of the 3/26/1997 RACT Agreement and 9 VAC 5-80-110 of Virginia State Regulations.

23. EPA's review of Honeywell's LDAR FEMS data for the past five (5) years indicates that Honeywell failed to complete final repair for at least 20 components within 15 days of detecting the leak. These components are subject to Subpart H and/or required by the Title V Permit to be under an LDAR program substantively equivalent to 40 CFR Part 60 Subpart VV. This is a violation of 40 CFR § 63.168(f)(1), 40 CFR § 63.163(c)(2), and 63.174(d) and/or Condition #E.7 of the 3/26/1997 RACT Agreement and 9 VAC 5-80-110 of Virginia State Regulations.

24. Honeywell's LDAR FEMS data for the past five (5) years indicates that Honeywell has identified 892 components as leaking, but there has been no attempt of repair, delay of repair or any other repair history related to these components. These components are subject to Subpart H and/or required by the Title V Permit to be under an LDAR program substantively equivalent to 40 CFR Part 60 Subpart VV. This is a violation of 40 CFR § 63.168(f)(2), 40 CFR § 63.163(c)(2), 63.174(g) and 40 CFR § 63.168(f)(1), 40 CFR § 63.163(c)(2), and 63.174(d) and/or Condition #E.7 of the 3/26/1997 RACT Agreement and 9 VAC 5-80-110 of Virginia State Regulations.

25. Honeywell's LDAR FEMS data for the past five (5) years indicates that Honeywell has identified 1179 components subject to delayed repair. None of these components has a corresponding repair history. Some were identified as leaking in 1997, and the most recent were identified in 2006. These components are subject to Subpart H and/or required by the Title V Permit to be under an LDAR program substantively equivalent to 40 CFR Part 60 Subpart VV. This is a violation of 63.171(a), 63.171(d)(2) and 63.171(e) and/or Condition #E.7 of the 3/26/1997 RACT Agreement and 9 VAC 5-80-110 of Virginia State Regulations.

26. Conditions 109, 307 and 308 of Honeywell's Virginia Title V Operating Permit include Leak Detection and Repair Requirements for areas throughout the Honeywell Hopewell Facility.

27. Condition 109 requires fugitive VOC emissions resulting from equipment leaks in those portions of Area 8/16 not already subject to fugitive emissions requirements from other applicable regulations to be controlled through a Leak Detection and Repair (LDAR) program. substantively equivalent to the LDAR requirements specified in 40 CFR 60, Subpart VV.

28. Condition 307 requires Volatile organic compound emissions from fugitive equipment leaks from the Honeywell Chemicals OS-1000 manufacturing process and the Honeywell Chemicals Multi-Purpose Oximation process shall be controlled by a Leak Detection and Repair ("LDAR") Program.

29. Condition 308 requires fugitive VOC emissions resulting from equipment leaks in those portions of Area 14 not already subject to fugitive emissions requirements from other applicable regulations shall be controlled through an LDAR program substantively equivalent to the LDAR requirements specified in 40 CFR 60, Subpart VV.

30. At the time of the EPA LDAR inspection, April 23- May 3, 2007; and through review of Honeywell's FEMS data system subsequent to the inspection, EPA has identified significant deficiencies in leak repair and identification in Areas 8/16, the Honeywell Chemicals Area, and in portions of Area 14 not already subject to equipment leak regulations in which EPA has determined Honeywell's LDAR programs are not substantially equivalent to 40 CFR 60, Subpart VV as required by Honeywell's Title V Operating Permit, a Federally Enforceable document.

III. ENFORCEMENT

Section 113(a)(1) of the ACT, as amended, 42 U.S.C. § 7413(a)(1), provides that at any time after the expiration of 30 days following the date of issuance of this NOV, the EPA Administrator, or an EPA official authorized to act as his representative, may, without regard to the period of violation issue an order requiring compliance with the requirements of the state implementation plan or permit, or issue an administrative penalty order pursuant to Section 113(d) for civil administrative penalties for up to $27,500 per day of violation for violations occurring on or before March 14, 2004, $32,500 per day of violation for violations occurring after March 14, 2004; and $37,500 per day of violation for violations occurring after January 12, 2009; or bring a civil action pursuant to Section 113(b) for injunctive relief and/or civil penalties of not more than $27,500 per day of violation for violations occurring on or before March 14, 2004; $32,500 per day of violation for violations occurring after March 14, 2004; and $37,500 per day of violation for violations occurring after January 12, 2009.

Section 113(c) of the Act, as amended, 40 U.S.C. § 7413(c), further provides for criminal penalties or imprisonments, or both, for any person who knowingly violates any plan or permit requirement more that 30 days after the date of the issuance of a NOV.

Pursuant to Section 306(a) of the Act, as amended, 42 U.S.C. § 7606(a), regulations promulgated thereunder at 40 CFR Part 15 and Executive Order 11738, facilities to be utilized in federal contracts, grants and loans must be in full compliance with the Act and all regulations promulgated pursuant thereto. Violations of the Act may result in the subject Facility being declared ineligible for participation in any federal contract, grant or loan.

IV. PENALTY ASSESSMENT CRITERIA

Section 113(3)(1) of the Act, as amended, 42 U.S.C. § 7413(e)(1), state that the court, in an action for assessment of civil or criminal penalties shall as appropriate in determining the amount of penalty to be assessed, take into consideration (in addition to such other factors as justice may require) the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and food faith efforts to comply, the duration of the violation as established by any credible evidence (including evidence other that the applicable test method), payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, and the seriousness of the violation.

Section 113(e)(2) of the Act, as amended, 42 U.S.C. § 7413(e)(2), allows the court to assess a penalty for each day of the violation. For purposes of determining the number of days of violation, where the plaintiff makes a prima facie showing that the conduct or events giving rise to this violation are likely to have continued or recurred past the date of this NOV (or a previously issued air pollution control agency notice of violation for the same violation), the days of the violation shall be presumed to include the date of this NOV (or the previous notice of violation) and each and every day thereafter until Respondent establishes that continuous compliance has been achieved, except to the extent that Respondent can prove by the preponderance of the evidence that there were intervening days during which no violation occurred or that the violation was not continuing in nature.

V. OPPORTUNITY FOR CONFERNECE

Respondents may, upon request, confer with EPA to discuss this NOV. If Respondent requests a conference with EPA, Respondent should be prepared to describe the causes of the violation and to describe any actions Respondent may have taken or proposes to take to bring the Facility into compliance. Respondent has the right to be represented by counsel.

Respondent must submit any request for a conference with EPA within fourteen (14) calendar days of receipt of this NOV. A request for a conference with EPA, and/or any inquires regarding this NOV, should be submitted in writing to:

Kristen Hall
Environmental Scientist
Air Protection Division (3AP12)
U. S. Environmental Protection Agency - Region III
1650 Arch Street
Philadelphia, PA 19103-2029
(215) 814-2168

and

Dennis M. Abraham
Senior Assistant Regional Counsel
Office of Regional Counsel (3RC10)
U. S. Environmental Protection Agency - Region III
1650 Arch Street
Philadelphia, PA 19103-2029
(215) 814-5214

VI. EFFECTIVE DATE

This NOV shall be effective immediately upon receipt.

VII. QUESTIONS REGARDING NOV/FOV

In you have any questions regarding the issuance of this NOV, you may contact Kristen Hall, Environmental Scientist at (215) 814-2168 or Dennis M. Abraham, Senior Assistant Regional Counsel, at (215) 814-5214.

VIII. DISCLOSURE INFORMATION

Certain companies may be required to disclose to the Securities and Exchange Commission ("SEC") the existence of certain pending or known to be contemplated environmental legal proceedings (administrative or judicial) arising under Federal, State or Local environmental laws. Please see the attached "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings" for more information about this requirement and to aid you in determining whether your company may be subject to the same.

EPA is enclosing an Information Sheet entitled "U.S. EPA Small Business Resources," (EPA 300-F-99-004, September 1999), which identifies a variety of compliance assistance and other tools available to assist small businesses in complying with Federal and State environmental laws.

Christopher B Pilla for
Judith M. Katz Director
Air Protection Division

3/11/09
Date

cc:

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

In the Matter of:

Honeywell International Inc. Honeywell Hopewell 905 E. Randolph Road Hopewell VA 23860	:	**NOTICE OF VIOLATION** **Docket No. CAA-111-09-13**

STATUTORY AUTHORITY

This Notice of Violation ("NOV") is issued pursuant to Section 113(a)(1) and (3) of the Clean Air Act ("CAA" or the "Act"), as amended, on November 15, 1990 by P.L. 101-549, 42 U.S.C. §7413(a)(1) and (3), to Honeywell International Inc. ("Honeywell" or "Respondent") for violations of the CAA, certain requirements of Honeywell's Title V operating permit, and Virginia's State Implementation Plan (the "Virginia SIP") found at 40 CFR Part 52, Subpart VV, Section 52.2420(c), at Honeywell's manufacturing facility located at 905 East Randolph Road, Hopewell, Virginia 23860 (hereinafter, the "Honeywell Facility" or the "Facility"). Section 113(a)(1) of the Act requires the Administrator of the United States Environmental Protection Agency ("EPA" or the "Agency") to notify a person in violation of any requirement or prohibition of an applicable implementation plan or permit, and the State in which the plan applies of such violation. The authority to issue NOVs has been delegated to the Director of EPA Region III's Air Protection Division. A description of the regulatory background, the relevant facts, and a list of the specific violations identified by EPA are outlined below. The geographical jurisdiction of EPA Region III includes the Commonwealth of Virginia.

I. FINDINGS OF FACT

1. Honeywell International, Inc. is a Delaware corporation headquartered at 101 Columbia Road, Morristown, NJ 07962. This is a publicly-owned company with facilities worldwide.

2. The Honeywell Facility is a Title V "major source" engaged in the production of chemicals for use as a product, co-product, by-product or intermediate. Honeywell principally manufactures caprolactam, a petrochemical used in the manufacturing of nylon 6, a synthetic fiber. The majority of caprolactam is shipped as a molten liquid to facilities in Columbia, South Carolina and Chesterfield, Virginia for conversion to nylon 6. Co-products from caprolactam production include: ammonium sulfate (for the agricultural industry), cyclohexanol, cyclohexanone and oxime chemicals. Ammonium sulfate is the largest volume chemical produced at the Honeywell Facility.

3. The Commonwealth of Virginia issued a Title V Operating Permit for the Facility (Permit # PRO50232), effective January 1, 2007 through December 31, 2011 (the "Title V Permit").

4. The Commonwealth of Virginia issued a Stationary Source Phased Construction Permit, New Source Performance Standards Permit and a Permit to Construct, Reconstruct, Modify and Operate on April 7, 2004 (collectively, the "Phased Construction Permit"). The requirements of the Phased Construction Permit were incorporated into the Title V permit.

5. On May 27, 2008, EPA issued an information request letter to the Respondent pursuant to Section 114 of the CAA, 42 U.S.C. § 7414 .

6. Respondent provided responses to EPA's May 27, 2008 information request letter on the dates of June 24, 2008 and August 4, 2008. Those responses included various reports and other process data in connection with the Facility's production rate[1], and Nitrogen Oxide (NO_x) rate.

7. Testar, Incorporated ("Testar") was contracted by Honeywell to conduct Relative Accuracy Test Audits (RATAs) in 2003, 2005 and 2007, in connection with the NO_x Continuous Emission Monitoring Systems (CEMs) on the ammonium nitrite and hydroxylamine diammonium sulfonate sections of the A, C, D and E trains, in Area 9 of the Facility. Testar is a private environmental and ecological services company based in Raleigh, North Carolina.

8. URS Corporation ("URS") was contracted by Honeywell to perform stack gas emission testing for total suspended particulate, particulate matter smaller than 10 microns (PM_{10}), and opacity on the ammonium nitrite section of the "E" train (Ref. No. TW-32) in March 2002. URS Corporation is a publically-owned company that provides engineering and environmental services with an office in Morrisville, North Carolina.

9. On October 17, 2003, Testar conducted a RATA of the NO_x CEMS on the ammonium nitrite section of the "A" train (Ref. No. TW-2), located in Area 9 of the Facility. Results of this RATA were summarized in a November 2003 test report prepared by Testar and provided to EPA in Honeywell's response to EPA's May 27, 2008 information request letter. Fifteen (15) runs were performed by Testar and the NO_x emissions were reported at an average of 430 pounds per hour. The production rate was not provided in the test report. However, the production rate, in tons of ammonia (NH_3) burned per month, for October 2003 was reported in Honeywell's CAA Section 114 response. Based on the hourly NO_x emission rate provided in the RATA test report and the monthly NH_3 burn rate provided in the CAA Section 114 response, EPA established an emission factor for this RATA test in units of pounds NO_x/pound of NH3 burned.

[1] Production data reported in Honeywell's response to EPA's May 27, 2008 information request letter was claimed as confidential business information.

10. EPA determined the 2004 annual production for the ammonium nitrite section of the "A" train (Ref. No. TW-2), in tons per year (tpy) of NH_3 burned, from the monthly data provided in Honeywell's response to EPA's May 27, 2008 information request letter

11. On October 7, 2003, Testar conducted a RATA of the NO_x CEMS on the ammonium nitrite section of the "C" train (Ref. No. TW-17), located in Area 9 of the Facility. Results of this RATA were summarized in an October 2003 test report prepared by Testar and provided to EPA in Honeywell's response to EPA's May 27, 2008 information request letter. Nine runs were performed by Testar and the NO_x emissions were reported at an average of 434 pounds per hour. The production rate was not provided in the test report. However, the production rate, in tons NH_3 burned per month, for October 2003 was reported in Honeywell's CAA Section 114 response. Based on the hourly NO_x emission rate provided in the RATA test report and the monthly NH_3 burn rate provided in the CAA Section 114 response, EPA established an emission factor for this RATA test in units of pounds NOx/pound of NH_3 burned.

12. On March 6, 2007, Testar conducted a RATA of the NO_x CEMS on the ammonium nitrite section of the "C" train (Ref. No. TW-17), located in Area 9 of the Facility. Results of this RATA were summarized in a January and March 2007 test report prepared by Testar and provided to EPA in Honeywell's response to EPA's May 27, 2008 information request letter. Nine runs were performed by Testar and the NO_x emissions were reported at an average of 405 pounds per hour. The average production rate during these nine runs was reported in pounds NH_3 burned per hour. Based on the hourly NO_x emission rate and the monthly NH_3 burn rate provided in the RATA test, EPA established an emission factor for this RATA test in units of pounds NOx/pound of NH_3 burned.

13. EPA determined the 2004, 2005, 2006 and 2007 annual production for the ammonium nitrite section of the "C" train (Ref. No. TW-17), in tpy of NH_3 burned, from the monthly data provided in Honeywell's response to EPA's May 27, 2008 information request letter.

14. On January 25, 2005, Testar conducted a RATA of the NO_x CEMS on the ammonium nitrite section of the "E" train (Ref. No. TW-32), located in Area 9 of the Facility. Results of this RATA were summarized in a January 2005 test report prepared by Testar and provided to EPA in Honeywell's response to EPA's May 27, 2008 information request letter. Nine runs were performed by Testar and the NO_x emissions were reported at an average of 174 pounds per hour. The average production rate during these nine runs was reported in pounds NH_3 burned per hour. Based on the hourly NO_x emission rate and the monthly NH3 burn rate provided in the RATA test, EPA established an emission factor for this RATA test in units of pounds NO_x /pound of NH_3 burned.

15. EPA determined the 2005 annual production for the ammonium nitrite section of the "E" train (Ref. No. TW-32), in tpy of NH_3 burned, from the monthly data provided in Honeywell's response to EPA's May 27, 2008 information request letter.

16. On October 15, 2003, Testar conducted a RATA of the NO_x CEMS on hydroxylamine diammonium sulfonate section of the "A" train (Ref. No. TW-62), located in Area 9 of the Facility. Results of this RATA were summarized in an October 2003 test report prepared by Testar and provided to EPA in Honeywell's response to EPA's May 27, 2008 information request letter. Eleven runs were performed by Testar and the NO_x emissions were reported at an average of 256 pounds per hour. The production rate was not provided in the test report. However, the production rate, in tons sulfur (S) burned per month, for October 2003 was reported in Honeywell's CAA Section 114 response. Based on the hourly NO_x emission rate provided in the RATA test report and the monthly S burn rate provided in the CAA Section 114 response, EPA established an emission factor for this RATA test in units of pounds NO_x /pound of S burned.

17. EPA determined the 2004 annual production for the hydroxylamine diammonium sulfonate section of the "A" train (Ref. No. TW-62), in tpy of S burned, from the monthly data provided in Honeywell's response to EPA's May 27, 2008 information request letter.

18. On January 26, 2005, Testar conducted a RATA of the NO_x CEMS on hydroxylamine diammonium sulfonate section of the "D" train (Ref. No. TW-23), located in Area 9 of the Facility. Results of this RATA were summarized in a January 2005 test report prepared by Testar and provided to EPA in Honeywell's response to EPA's May 27, 2008 information request letter. Ten runs were performed by Testar, however, Run 2 was not completed because NO_x concentration data was not collected for the full test period and the test was aborted. The NO_x emissions for the nine remaining runs were reported at an average of 140 pounds per hour. The average production rate during these nine runs was reported in pounds S burned per hour. Based on the hourly NO_x emission rate and the monthly S burn rate provided in the RATA test, EPA established an emission factor for this RATA test in units of pounds NO_x /pound of S burned.

19. EPA determined the 2005 annual production for the hydroxylamine diammonium sulfonate section of the "D" train (Ref. No. TW-23), in tpy of S burned, from the monthly data provided in Honeywell's response to EPA's May 27, 2008 information request letter.

20. On March 14-15, 2002, URS conducted an emission test on the on the ammonium nitrite section of the "E" train (Ref. No. TW-32), located in Area 9 of the Facility. Results of this emission test were summarized in an April 2002 test report prepared by URS and provided to EPA in Honeywell's response to EPA's May 27, 2008 information request letter. Three test runs were performed by URS and the PM_{10} emissions were reported at an average of 3.5 pounds per hour. The production rate was not provided in the test report. However, the production rate, in tons NH_3 burned per month, for March 2002 was reported in Honeywell's CAA Section 114 response. Based on the hourly PM_{10} emission rate provided in the test report and the monthly NH_3 burn rate provided in the CAA Section 114 response, EPA established an emission factor for this emission test in pounds PM_{10} /pound of NH_3 burned.

21. EPA determined 2004, 2005, 2006 and 2007 annual production for the ammonium nitrite section of the "E" train (Ref. No. TW-32) in tpy of NH_3 burned, from the monthly data provided in Honeywell's response to EPA's May 27, 2008 information request letter.

II. VIOLATIONS

22. Based on the emission factor established during the October 17, 2003 RATA described above, and the 2004 annual production, the 2004 annual NO_x emissions from the ammonium nitrite section of the A Train (Ref. No. TW-2) significantly exceeded the annual NO_x limit of 1673 tpy established in Condition 98 of the Phased Construction Permit.

23. Based on the emission factor established during the October 7, 2003 RATA described above, and the annual production, the 2004 annual NO_x emissions from the ammonium nitrite section of the C Train (Ref. No. TW-17) significantly exceeded the annual NO_x limit of 1257 tpy established in Condition 100 of the Phased Construction Permit.

24. Based on the emission factor established during the October 7, 2003 RATA described above, and the annual production, the 2005 annual NO_x emissions from the ammonium nitrite section of the C Train (Ref. No. TW-17) significantly exceeded the annual NO_x limit of 1257 tpy established in Condition 100 of the Phased Construction Permit.

25. Based on the emission factor established during the October 7, 2003 RATA described above, and the annual production, the 2006 annual NO_x emissions from the ammonium nitrite section of the C Train (Ref. No. TW-17) significantly exceeded the annual NO_x limit of 1257 tpy established in Condition 100 of the Phased Construction Permit.

26. Based on the emission factor established during the March 6, 2007 RATA described above, and the annual production, the 2007 annual NO_x emissions from the ammonium nitrite section of the C Train (Ref. No. TW-17) significantly exceeded the annual NO_x limit of 1257 tpy established in Condition 100 of the Phased Construction Permit and Condition 90 of the Title V.

27. Based on the emission factor established during the January 25, 2005 RATA described above, and the annual production, the 2005 annual NO_x emissions from the ammonium nitrite section of the E Train (Ref. No. TW-32) significantly exceeded the annual NO_x limit of 600 tpy established in Condition 103 of the Phased Construction Permit.

28. Based on the emission factor established during the October 15, 2003 RATA described above, and the annual production, the 2004 annual NO_x emissions from the hydroxylamine diammonium sulfonate section of the A Train (Ref. No. TW-62)

29. Based on the emission factor established during the January 26, 2005 RATA described above, and the annual production, the 2005 annual NO_x emissions from the hydroxylamine diammonium sulfonate section of the D Train (Ref. No. TW-23) significantly exceeded the annual NO_x limit of 600 tpy established in Condition 108 of the Phased Construction Permit.

30. Based on the emission factor established during the March 2002 emission test described above, and the annual production, the 2004 annual PM_{10} emissions from the ammonium nitrite section of the E Train (Ref. No. TW-32) significantly exceeded the annual PM_{10} limit of 6 tpy established in Condition 103 of the Phased Construction Permit.

31. Based on the emission factor established during the March 2002 emission test described above, and the annual production, the 2005 annual PM_{10} emissions from the ammonium nitrite section of the E Train (Ref. No. TW-32) significantly exceeded the annual PM_{10} limit of 6 tpy established in Condition 103 of the Phased Construction Permit.

32. Based on the emission factor established during the March 2002 emission test described above, and the annual production, the 2006 annual PM_{10} emissions from the ammonium nitrite section of the E Train (Ref. No. TW-32) significantly exceeded the annual PM_{10} limit of 6 tpy established in Condition 103 of the Phased Construction Permit.

33. Based on the emission factor established during the March 2002 emission test described above, and the annual production, the 2007 annual PM_{10} emissions from the ammonium nitrite section of the E Train (Ref. No. TW-32) significantly exceeded the annual PM_{10} limit of 6 tpy established in Condition 103 of the Phased Construction Permit.

III. ENFORCEMENT

Section 113(a)(1) of the ACT, as amended, 42 U.S.C. § 7413(a)(1), provides that at any time after the expiration of 30 days following the date of issuance of this NOV, the EPA Administrator, or an EPA official authorized to act as his representative, may, without regard to the period of violation issue an order requiring compliance with the requirements of the state implementation plan or permit, or issue an administrative penalty order pursuant to Section 113(d) for civil administrative penalties for up to $27,500 per day of violation for violations occurring on or before March 14, 2004, $32,500 per day of violation for violations occurring after March 14, 2004; and $37,500 per day of violation for violations occurring after January 12, 2009; or bring a civil action pursuant to Section 113(b) for injunctive relief and/or civil penalties of not more than $27,500 per day of violation for violations occurring on or before March 14, 2004; $32,500 per day of violation for violations occurring after March 14, 2004; and $37,500 per day of violation for violations occurring after January 12, 2009.

Section 113(c) of the Act, as amended, 40 U.S.C. § 7413(c), further provides for criminal penalties or imprisonments, or both, for any person who knowingly violates any plan or permit requirement more that 30 days after the date of the issuance of a NOV.

Pursuant to Section 306(a) of the Act, as amended, 42 U.S.C. § 7606(a), regulations promulgated thereunder at 40 CFR Part 15 and Executive Order 11738, facilities to be utilized in federal contracts, grants and loans must be in full compliance with the Act and all regulations promulgated pursuant thereto. Violations of the Act may result in the subject Facility being declared ineligible for participation in any federal contract, grant or loan.

IV. PENALTY ASSESSMENT CRITERIA

Section 113(3)(1) of the Act, as amended, 42 U.S.C. § 7413(e)(1), state that the court, in an action for assessment of civil or criminal penalties shall as appropriate in determining the amount of penalty to be assessed, take into consideration (in addition to such other factors as justice may require) the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and food faith efforts to comply, the duration of the violation as established by any credible evidence (including evidence other that the applicable test method), payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, and the seriousness of the violation.

Section 113(e)(2) of the Act, as amended, 42 U.S.C. § 7413(e)(2), allows the court to assess a penalty for each day of the violation. For purposes of determining the number of days of violation, where the plaintiff makes a prima facie showing that the conduct or events giving rise to this violation are likely to have continued or recurred past the date of this NOV (or a previously issued air pollution control agency notice of violation for the same violation), the days of the violation shall be presumed to include the date of this NOV (or the previous notice of violation) and each and every day thereafter until Respondent establishes that continuous compliance has been achieved, except to the extent that Respondent can prove by the preponderance of the evidence that there were intervening days during which no violation occurred or that the violation was not continuing in nature.

V. OPPORTUNITY FOR CONFERNECE

Respondents may, upon request, confer with EPA to discuss this NOV. If Respondent requests a conference with EPA, Respondent should be prepared to describe the causes of the violation and to describe any actions Respondent may have taken or proposes to take to bring the Facility into compliance. Respondent has the right to be represented by counsel.

Respondent must submit any request for a conference with EPA within fourteen (14) calendar days of receipt of this NOV. A request for a conference with EPA, and/or any inquires regarding this NOV, should be submitted in writing to:

Dianne McNally
Environmental Engineer
Air Protection Division (3AP12)
U. S. Environmental Protection Agency - Region III
1650 Arch Street
Philadelphia, PA 19103-2029
(215) 814-3297

and

Dennis M. Abraham
Senior Assistant Regional Counsel
Office of Regional Counsel (3RC10)
U. S. Environmental Protection Agency - Region III
1650 Arch Street
Philadelphia, PA 19103-2029
(215) 814-5214

VI. EFFECTIVE DATE

This NOV shall be effective immediately upon receipt.

VII. QUESTIONS REGARDING NOV/FOV

In you have any questions regarding the issuance of this NOV, you may contact Ms. Dianne McNally, Environmental Engineer at (215) 814-3297 or Mr. Dennis M. Abraham, Senior Assistant Regional Counsel, at (215) 814-5214.

VIII. DISCLOSURE INFORMATION

Certain companies may be required to disclose to the Securities and Exchange Commission ("SEC") the existence of certain pending or known to be contemplated environmental legal proceedings (administrative or judicial) arising under Federal, State or Local environmental laws. Please see the attached "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings" for more information about this requirement and to aid you in determining whether your company may be subject to the same.

EPA is enclosing an Information Sheet entitled "U.S. EPA Small Business Resources," (EPA 300-F-99-004, September 1999), which identifies a variety of compliance assistance and other tools available to assist small businesses in complying with Federal and State environmental laws.

Diana Esher, Acting Director
Air Protection Division

8/21/09
Date